

FINANCIAL SUPERVISION AUTHORITY

CONSOLIDATED HALF-YEAR REPORT PSr 2021

year

(pursuant to &60 sec.2 and &62 sec. 3 of the Regulation issued by the Minister of Finance on 29th of March, 2018)
for issuers of securities managing production, construction, trade and services activities

for first half of financial year 2021 from	2021-01-01 to 2021-06-30
including consolidated annual financial statement according to	International Financial Reporting Standards
in currency	PLN
and condensed financial statement according to	Act on Accounting
in currency	PLN
date of publication	2021-08-31

COMARCH SA	
(full name of an issuer)	
COMARCH	Information Technology (IT)
(abbreviated name of issuer)	(sector according to WSE classification)
31-864	Kraków
(postal code)	(city)
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(NIP)	(REGON)

BDO. Spółka z ograniczoną odpowiedzialnością sp. k.
(An auditor entitled to audit financial statements)

SELECTED FINANCIAL DATA	thousands of PLN		thousands of EUR	
	H1 2021	H1 2020	H1 2021	H1 2020
DATA RELATED TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENT				
I. Net revenues from sales	721,346	708,784	158,635	159,589
II. Operating profit (loss)	64,847	71,783	14,261	16,163
III. Profit before income tax	76,022	56,897	16,718	12,811
IV. Net profit attributable to shareholders	54,583	34,519	12,004	7,772
V. Cash flows from operating activities	106,469	124,317	23,414	27,991
VI. Cash flows from investing activities	-99,794	-32,980	-21,946	-7,426
VII. Cash flows from financing activities	-3,030	-29,332	-666	-6,604
VIII. Total net cash flows	3,645	62,005	802	13,961
IX. Number of shares	8,133,349	8,133,349	8,133,349	8,133,349
X. Earnings per single share (PLN/EURO)	6.71	4.24	1.48	0,95
XI. Diluted earnings (losses) per single share (PLN/EURO)	6.71	4.24	1.48	0,95
DATA RELATED TO THE FINANCIAL STATEMENT				
XII. Net revenues from sales of products, goods and materials	478,727	449,037	105,280	101,105
XIII. Profit (loss) on operating activities	30,569	24,610	6,723	5,541
XIV. Gross profit (loss)	60,427	62,203	13,289	14,006
XV. Net profit (loss)	53,836	55,297	11,839	12,451
XVI. Cash flows from operating activities	81,447	52,339	17,911	11,785
XVII. Cash flows from investing activities	-96,878	8,283	-21,305	1,865
XVIII. Cash flows from financing activities	11,499	-24,737	2,529	-5,570

XIX. Total net cash flow	-3,932	35,885	-865	8,080
XX. Number of shares	8,133,349	8,133,349	8,133,349	8,133,349
XXI. Earnings (losses) per single share (PLN/EURO)	9.66	8.42	2.12	1.90
XXII. Diluted earnings (losses) per single share (PLN/EURO)	9.66	8.42	2.12	1.90
XXIII. EQUITIES	30.06.2021	31.12.2020	30.06.2021	31.12.2020
XXIV. Equity attributable to shareholders (consolidated)	1,106,214	1,080,039	244,694	234,038
XXV. Equity (dominant unit)	985,436	949,438	217,978	205,738

Euro exchange rates used for calculation of the selected financial data:

- arithmetical average of NBP average exchange rates as of the end of each month for the period 01.01.2021 to 30.06.2021: 4.5472;

- arithmetical average of NBP average exchange rates as of the end of each month for the period 01.01.2020 to 30.06.2020: 4.4413;

The balance sheet items were presented based on NBP average exchange rates as of the end of the period:

- 30.06.2021: 4.5208;

- 31.12.2020: 4.6148.

Values of equities (positions XXIV, XXV) were presented as at the end of first six months of the current year and as at the end of the previous year.

When presenting selected financial data from the half-year condensed financial statement, it should be properly described.

Selected financial data from the consolidated balance sheet (consolidated statement regarding the financial situation) or from the balance sheet respectively (statement regarding the financial situation) is presented as of the end of the current half-year and as of the end of the previous year, and this should be properly described.

This report should be presented to the Financial Supervision Authority, the Warsaw Stock Exchange and press agency pursuant to the law.

REPORT INCLUDES:

File	Description
PSr 1 2021 separate.pdf	Condensed interim financial statement of Comarch S.A.
PSr 2021 consolidated.pdf	Condensed interim consolidated financial statement of Comarch Group
PSr 2021 Report regarding activities.pdf	Report of the Management Board regarding activities
The Management Board's Statement regarding the Reliability of Financial Statement.pdf	The Management Board's Statement regarding the Reliability of Financial Statement
Report from review – separate.pdf	Report from review of condensed interim financial statement of Comarch S.A.
Report from review – consolidated.pdf	Report from review of condensed interim consolidated financial statement

SIGNATURES OF PERSONS REPRESENTING COMPANY

Date	Name and surname	Position	Signature
2021-08-31	Konrad Tarański	Vice-President of the Management Board	
2021-08-31	Iwona Kasprzyk	Proxy	

REPORT OF AN INDEPENDENT EXPERT AUDITOR OF THE REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT FOR THE SHAREHOLDERS AND THE SUPERVISORY BOARD OF COMARCH S.A.

Introduction

We have audited the attached condensed interim consolidated financial statement of Comarch S.A.'s Capital Group, in which the parent company is Comarch S.A. ("Company") with its registered office at Krakow, al. Jana Pawła II 39a, which consists of: consolidated balance sheet as the 30th of June 2021, consolidated profit and loss account for the period from the 1st of January to the 30th of June, 2021, consolidated total income statement for the period from the 1st of January to the 30th of June, 2021, consolidated changes in equity for the period from the 1st of January to the 30th of June, 2021, consolidated cash flow for the period from the 1st of January to the 30th of June, 2021 and additional information and commentaries ("condensed interim financial statement").

The Company's management is responsible for preparing and presenting the condensed interim consolidated financial statements in accordance with the requirements of the International Accounting Standard 34 *Interim Financial Reporting*, announced in the form of regulations of the European Commission.

We are responsible for formulating the conclusion regarding to the condensed interim consolidated financial statement based on our review.

Scope of the Review

The review was conducted in accordance with the 2410 National Standards for Review Services in the wording of the 2410 International Standards for Review Services, *Review of Interim Financial Information Conducted by the Entity's Independent Auditor* adopted by a resolution of the National Council of Expert Auditors.

The review of financial statement consists in directing inquiries primarily to those responsible for financial and accounting matters, conducting analytical procedures and other review procedures.

A review has a significantly narrower scope than an audit conducted in accordance with the National Standards for Audit in the wording of the International Standards for Audit. As a result, the review is not sufficient to ensure that all relevant issues that would have been identified during the audit were disclosed. Therefore, we do not express our opinion on the audit of this condensed interim consolidated financial statement.

Conclusion

Based on the conducted review, we find that nothing has returned our attention, which would lead us to believe that the attached condensed interim consolidated financial statement has not been prepared in all important aspects, in accordance with the requirements of International Accounting Standard 34 *Interim Financial Reporting*, announced in the form of regulations of the European Commission.

BDO spółka z ograniczoną odpowiedzialnością sp. k. with its registered office at Warszawa

Entity entered on the list of audit firms under reference number **3355**

on behalf of which the auditor reviewed the financial statements

Marcin Krupa

Expert Auditor

Reference number 11142

dr André Helin

President of the Management Board

Expert Auditor, reference number 90004

Krakow, 31st of August, 2021

COMARCH



Comarch Group **Consolidated Financial** **Statement** for the period from 1st of January, 2021 to 30th of June, 2021

Kraków, 31st of August, 2021

Statement in accordance with
The International Financial Reporting Standards

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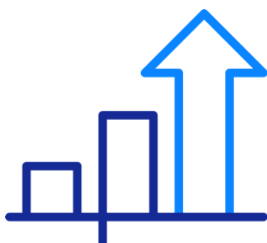
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60+ countries on **6** continents
– we implement projects all over the world



PLN 721 million
of sales revenue



PLN 51 million
of net profit



> PLN 2 billion
capitalization of Comarch S.A. on the WSE
(30.06.2021)



9.0%
of EBIT margin



6,300+
professionals employed

Comarch Group Consolidated Financial Statement for 6 Months 2021

I. Consolidated Balance Sheet

ASSETS	Note	At 30 June 2021	At 31 December 2020
I. NON-CURRENT ASSETS		835,262	856,573
Property, plant and equipment	3.2	572,368	582,158
Right of use assets	3.3	85,113	88,222
Investment in real estates	3.4	39,024	39,874
Goodwill	3.5	45,774	45,774
Other intangible assets	3.6	53,704	55,528
Non-current prepayments		899	1,298
Investments in associates	3.7	-	-
Other assets at fair value	3.9a	2,305	597
Other investments		216	216
Deferred income tax assets	3.10	33,084	35,864
Other receivables		2,775	7,042
II. CURRENT ASSETS		1,188,956	1,146,985
Inventories	3.11	102,045	88,115
Trade and other receivables	3.12	354,789	429,858
Current income tax receivables		6,739	1,430
Long-term contracts receivables	3.13	173,482	157,441
Available-for-sale financial assets	3.8	100,140	20,001
Other financial assets at fair value – derivative financial instruments	3.9a	3,009	2,119
Cash and cash equivalents		448,752	448,021
TOTAL ASSETS		2,024,218	2,003,558

TOTAL EQUITY AND LIABILITIES	Note	At 30 June 2021	At 31 December 2020
I. EQUITY		1,121,315	1,098,547
Capital and reserves attributable to the company's equity holders		1,106,214	1,080,039
Share capital	3.14	8,133	8,133
Reserve capital from sales of shares above the nominal value		84,446	84,446
Other capitals		58,595	58,595
Exchange differences		26,995	29,653
Net profit/(loss) from the previous years and net profit for the current period		928,045	899,212
Equities attributable to non-controlling interests		15,101	18,508
II. LIABILITIES		902,903	905,011
Non-current liabilities		245,999	252,430
Credit and loans	3.15	122,047	116,760
Other liabilities		578	6,305
Liabilities due to lease	3.16	69,492	75,145
Financial liabilities at fair value – derivative financial instruments	3.9b	2,607	5,639
Provision due to deferred income tax	3.10	48,995	46,778
Provisions for other liabilities and charges	3.18	2,280	1,803
Current liabilities		656,904	652,581
Trade and other payables	3.19	231,641	216,128
Current income tax liabilities		25,070	24,794
Long-term contracts liabilities	3.13	143,187	147,651
Credit and loans	3.15	42,852	40,176
Liabilities due to lease	3.16	19,700	19,142
Financial liabilities at fair value – derivative financial instruments	3.9b	395	3,820
Other financial liabilities	3.17	29,824	5,249
Provisions for other liabilities and charges	3.18	164,235	195,621
TOTAL EQUITY AND LIABILITIES		2,024,218	2,003,558

II. Consolidated Income Statement

	Note	Q2 2021*	6 months ended 30 June 2021	Q2 2020	6 months ended 30 June 2020
Revenue		337,367	721,346	330,966	708,784
Cost of sales		(254,489)	(528,340)	(245,836)	(514,716)
Gross profit		82,878	193,006	85,130	194,068
Other operating income		7,172	10,922	8,252	14,618
Sales and marketing costs		(33,514)	(64,756)	(31,815)	(61,502)
Administrative expenses		(24,535)	(54,060)	(29,225)	(57,418)
Other operating expenses		(13,382)	(20,265)	(5,423)	(17,983)
Operating profit		18,619	64,847	26,919	71,783
Finance revenue / (costs) - net		17,934	11,174	9,049	(14,886)
Share of profit / (loss) of associates		1	1	-	-
Profit before income tax		36,554	76,022	35,968	56,897
Income tax expense		(9,592)	(24,847)	(15,597)	(22,776)
Net profit for the period		26,962	51,175	20,371	34,121
Shareholders of the parent company		28,505	54,583	20,344	34,519
Interests not entitled to control		(1,543)	(3,408)	27	(398)

Earnings per share for profit attributable to the shareholders of the parent company during the period (expressed in PLN per share)

- basic	3.24	6.71	4.24
- diluted	3.24	6.71	4.24

*) Data for the second quarter of 2021 were calculated by subtraction of the data presented by the Group in the report for the first quarter of 2021 from the data for the first half of 2021 (reviewed).

III. Total Income Consolidated Statement

	Q2 2021*	6 months ended 30 June 2021	Q2 2020	6 months ended 30 June 2020
Net profit for the period	26,962	51,175	20,371	34,121
Other total income				
Exchange differences from recalculation of subsidiaries	(6,232)	(2,657)	(3,068)	12,934
Total other total income	(6,232)	(2,657)	(3,068)	12,934
Sum of total income for the period	20,730	48,518	17,303	47,055
Attributable to the parent company shareholders	22,271	51,925	17,275	47,455
Attributable to the interests not entitled to control	(1,541)	(3,407)	28	(400)

*) Data for the second quarter of 2021 were calculated by subtraction of the data presented by the Group in the report for the first quarter of 2021 from the data for the first half of 2021 (reviewed).

IV. Consolidated Statement of Changes in Shareholders' Equity

	Attributable to the shareholders of the parent company						Total equity
	Share capital	Reserve capital from sales of shares above the nominal value	Other	Share capital	Reserve capital from sales of shares above the nominal value	Capitals attributable to non-controlling interests	
Balance at 1 January 2020	8,133	84,446	58,595	10,168	790,781	18,633	970,756
Dividend paid	-	-	-	-	(12,200)	-	(12,200)
Currency translation differences ⁽¹⁾	-	-	-	12,936	-	(2)	12,934
Profit for the period ⁽²⁾	-	-	-	-	34,519	(398)	34,121
Total income recognised in equity ⁽¹⁺²⁾	-	-	-	12,936	34,519	(400)	47,055
Balance at 30 June 2020	8,133	84,446	58,595	23,104	813,100	18,233	1,005,611
Balance at 1 January 2021	8,133	84,446	58,595	29,653	899,212	18,508	1,098,547
Dividend to be paid	-	-	-	-	(25,750)	-	(25,750)*
Currency translation differences ⁽¹⁾	-	-	-	(2,658)	-	1	(2,657)
Profit for the period ⁽²⁾	-	-	-	-	54,583	(3,408)	51,175
Total income recognised in equity ⁽¹⁺²⁾	-	-	-	(2,658)	54,583	(3,407)	48,518
Balance at 30 June 2021	8,133	84,446	58,595	26,995	928,045	15,101	1,121,315

*) Dividend in the amount of PLN 24,400 thousand applies to Comarch S.A. and in the amount of PLN 1,350 thousand PLN applies to Bonus Development Konzept sp.z o.o. SKA. Dividends were paid in July 2021.

V. Consolidated Cash Flow Statement

	6 months ended 30 June 2021	6 months ended 30 June 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit	51,175	34,121
Total adjustments	80,375	102,726
Depreciation	45,854	46,457
Profit (loss) from foreign exchange differences	(2,589)	(7,097)
Interest and profit sharing (dividends)	1,469	1,675
Profit (loss) on investing activities	(499)	(142)
Change in inventories	(13,967)	(5,045)
Change in receivables	13,316	33,044

Change in liabilities and provisions excluding credits and loans	36,791	33,834
Other adjustments	-	-
Net profit less total adjustments	131,550	136,847
Income tax paid	(25,081)	(12,530)
Net cash generated (used) in operating activities	106,469	124,317
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(19,473)	(25,405)
Proceeds from sale of property, plant and equipment	827	716
Purchases of intangible assets	(2,068)	(2,849)
Proceeds from disposal of investment in intangible assets	751	605
Expenses for purchase of financial assets	(120,000)	(9,565)
Expenses for investment in real estates	(14)	(4,046)
Repayment of granted loans	-	7,152
Interest	3	600
Proceeds from financial instruments	163	-
Expenses for financial instruments	(138)	(188)
Proceeds from financial assets	40,155	-
Other investment expenses	-	-
Net cash generated (used) in investing activities	(99,794)	(32,980)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from credits and loans	33,320	2,360
Repayments of credits and loans	(22,278)	(21,710)
Interest on credit	(1,110)	(1,326)
Interest on received loans	(47)	(156)
Proceeds from repaid loans	-	-
Proceeds from interest on loans	-	-
Other financial liabilities (loans granted)	-	-
Dividends and other payments to owner's distribution	(1,295)	-
Payment of liabilities under finance lease agreements	(11,770)	(10,437)
Other financial proceeds	150	1,937
Other financial expenses	-	-
Net cash generated (used) in financing activities	(3,030)	(29,332)
Net change in cash, cash equivalents and bank overdrafts	3,645	62,005
Cash, cash equivalents and bank overdrafts at beginning of the period	448,021	323,164
Positive (negative) exchange differences in cash and bank overdrafts	(2,914)	2,073
Cash, cash equivalents and bank overdrafts at end of the period	448,752	387,242
including limited disposal	3,732	2,062

VI. Supplementary information

1. Information about Comarch Group Structure and Activities

The basic activities of the Comarch Group (the "Group"), in which Comarch S.A. with its registered office in Krakow at Al. Jana Pawła II 39 A is the parent company, include activity related to software, PKD 62.01.Z. The registration court for Comarch S.A. is the District Court for Krakow Śródmieście in Krakow, The Eleventh Economic Division of the National Court Register. The company's KRS number is 0000057567. Comarch S.A. holds the dominant share in the Comarch Group regarding realised revenue, value of assets and number and volume of executed contracts. Comarch S.A. shares are admitted to public trading on the Warsaw Stock Exchange. The duration of the parent company is not limited.

On the 30th of June, 2021, associate of the parent company was:

- SolInteractive S.A. with its registered office in Krakow in Poland (16.10% votes held by CCF FIZ, 11.27% held by Bonus Management sp. z o.o. Activia SK-A).

The associated company is not consolidated. Shares are valued with equity method.

1.2. Activities Structure in the Comarch Group

The structure of activities of the Comarch Group is as follows:

- The parent company Comarch S.A. acquires the majority of contracts and in large part executes them,
- Comarch AG, Comarch S.A.S., Comarch R&D S.à r.l., Comarch Luxembourg S.à r.l., Comarch Inc., Comarch Panama Inc., Comarch Canada, Corp., Comarch Middle East FZ-LLC, Comarch LLC, OOO Comarch, Comarch Technologies Oy, Comarch UK Ltd., Comarch Chile SpA, Comarch Sistemas LTDA, Comarch Software Spain S.L.U., Comarch Yazilim A.S., Comarch SRL, Comarch Malaysia SDN. BHD., Comarch AB, Comarch Argentina S.A., Comarch Colombia S.A.S., Comarch Peru S.A.C., Comarch Japan KK, Comarch Saudi Arabia Co., Comarch Mexico S.A. de C.V., Comarch Yuhon Hoesa (Comarch Ltd.), Comarch (Thailand) Limited, Comarch BV, Comarch Pty. LTD, Comarch Software (Shanghai) Co. Ltd, Comarch New Zealand LTD and LLC „Comarch Software” acquire IT contracts in foreign markets and execute them in their entirety or in part,
- Comarch Software und Beratung AG is an important provider of ERP and an integrator of IT solutions in Germany. Activities of Comarch Solutions GmbH are identical as activities of Comarch Software und Beratung AG,
- Comarch Swiss AG sells and implements Comarch IT solutions, especially ERP and ECM on the Swiss market,
- Cabinet Conseil en Strategie Informatique S. A. S. provides IT solutions and services for medical entities on the French market,
- Comarch Polska S.A. acquires IT contracts in domestic markets and executes them in their entirety or in part,
- Comarch Technologies sp. z o.o. is responsible for the development of technologies related to the design and production of electronic devices and software,
- CA Consulting S.A. specialises in data communications relating to the provision of IT and consulting services for the own needs of the Comarch S.A. and for Comarch's contractor,
- Comarch Cloud S.A., acquire IT contracts in domestic markets and execute them in their entirety or in part,
- Purpose of the Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty is investment activity, through its subsidiaries, in the scope of new technologies and services, as well as investment activities on capital market,
- Comarch Management sp. z o.o., Comarch Management sp. z o.o. SK-A, CASA Management and Consulting sp. z o.o. SK-A, CAMS AG, Bonus Management sp. z o.o. SK-A and Bonus Management sp. z o.o. II Activia SK-A, Comarch Pointshub, Inc. conduct investment activities on capital market and activities related to IT,
- The subject matter of activities of Bonus Development sp. z o.o. SK-A and Bonus Development sp. z o.o. II Koncept SK-A are activities related to real estates,
- Comarch Healthcare S.A. produces and sells IT software related to medicine, medical devices, provides medical and diagnostic services, as well as produces and provides complex IT solutions for medicine sector,
- Comarch Infrastruktura S.A. offers services related to Data Centre and IT services outsourcing,

- iComarch24 S.A. conducts IT projects related to e-accounting and e-trading, as well as provides accounting services for domestic subsidiaries in the Comarch Group,
- MKS Cracovia SSA conducts sports activities and promotes physical education,
- „Bonus MANAGEMENT spółka z ograniczoną odpowiedzialnością” Cracovia Park SK-A conducts investment activities related to sport, wellness and recreation,
- Comarch Finance Connect sp. z o.o. it is not currently operating, conducts proceedings to obtain an entry in the register of payment service providers and electronic money publishers,
- Wszystko.pl sp. z o.o. it is not currently operating, it is preparing to launch an e-commerce portal under the name Wszystko.pl,
- Geopolis sp. z o.o. it is not currently operating, in January, 2021, a petition for bankruptcy has been filed,
- Companies Comarch s.r.o., Comarch Espace Connecté Inc. and CAMS AG are currently not operating.

1.3. Changes in Ownership and Organisational Structure in H1 2021

On the 21st of January, 2021, the Management Board of Geopolis Sp. z o.o. filed an application to the District Court for Toruń, The Fifth Economic Division, for bankruptcy including liquidation of the debtor's assets, i.e. the company. On the 16th of March, 2021, the District Court for Toruń, The Fifth Economic Division, after considering the case at the request of Geopolis sp. z o.o. in Toruń for bankruptcy, decided to secure the debtor's assets by appointing a temporary court supervisor.

On the 10th of March, 2021, the name of the company was changed from Unitec sp. z o.o. to Wszystko.pl sp. z o.o. and the change of the company's seat to Kraków.

On the 22nd of March, 2021, a subsidiary company LLC „Comarch Software” was registered in Lviv. The share capital of the company amounts to PLN 14,000. Comarch S.A. owns 100% in share capital and votes of LLC „Comarch Software”.

On the 29th of March, 2021, a resolution was adopted to increase the share capital in Comarch S.R.L. by the amount of EUR 1,000,000 (i.e. PLN 4,656,000) intended to cover a loss in the amount of EUR 100,000 and an increase in the share capital of EUR 900,000, after its reduction in order to cover the loss. On the 6th of May, 2021, Comarch S.A. made the transfer of funds. The share capital of Comarch S.R.L. as a result of these operations it has not changed and amounts to EUR 900,000.

On the 8th of April, 2021, an increase in the share capital of Comarch (Thailand) Co., Ltd. was registered. The share capital was increased from THB 18,500,000 (that is PLN 2,257,000) by THB 32,000,000 (that is PLN 3,904,000) and currently amounts to THB 50,500,000 (that is PLN 6,161,000).

On the 7th of May, 2021, the formal liquidation process of Comarch Software Spain S.L.U. begun.

1.4. Changes in Ownership and Organisational Structure after the Balance Sheet Date

On the 30th of July, 2021, Comarch R&D S.à r.l. was transformed into a joint stock company Comarch R&D S.A.S. The conversion was registered in the appropriate register.

2. Description of the Applied Accounting Principles

This unaudited Condensed Interim Consolidated Financial Statement of Comarch Group for the 6 months ended the 30th of June, 2021, and comparable data (the “Interim Consolidated Financial Statement”) are prepared in accordance with International Accounting Standard (“IAS”) 34 and with all accounting standards applicable to

interim financial reporting adopted by the European Union, issued and effective as at the date of preparing the Condensed Interim Consolidated Financial Statement.

This Interim Consolidated Financial Statement for the 6 months ended the 30th of June, 2021, does not include all information and disclosures that are obligatory in annual financial statements, therefore should be read in conjunction with the audited Comarch Group IFRS Consolidated Financial Statement for the year ended the 31st of December, 2020 ("the IFRS Consolidated Financial Statement").

The scope of the accounting principles and calculation methods applied in the Interim Consolidated Financial Statement for the 6 months ended the 30th of June, 2021, does not differ from the accounting principles described in the audited Comarch Group IFRS Consolidated Financial Statement for the year ended the 31st of December, 2020 (notes 2 and 3 of the Consolidated Financial Statement of the Comarch Group for the year ended the 31st of December, 2020).

The Interim Consolidated Financial Statement for the 6 months ended the 30th of June, 2021, includes the consolidated balance sheet, consolidated income statement, total income consolidated statement, consolidated statement of changes in shareholders' equity, consolidated cash flow statement and selected explanatory notes.

In the Interim Consolidated Financial Statement, costs that arise unevenly during the year are anticipated or deferred in the interim financial statement, only if it would also be appropriate to anticipate or defer such costs at the end of the year.

This Interim Consolidated Financial Statement for the 6 months ended the 30th of June, 2021, is prepared in thousands of Polish zloty ("PLN") and was authorized for issuance by the Management Board on the 31st of August, 2021.

Interpretations to standards applied in 2019 for the first time and continued in the following years

■ IFRS 16 Leasing

The IFRS 16 standard was published on the 13th of January, 2016, and is effective for annual periods beginning on or after 1st of January, 2019.

The Comarch Group implemented the application of the IFRS 16 standard retrospectively, with the combined effect of the first application of IFRS 16 recognized as at 1st of January, 2019, without restatement of comparative data.

Comarch Group analyses all contracts concluded in terms of meeting the criteria for considering them as leasing agreements by IFRS 16. For lease agreements subject to IFRS 16, the Comarch Group included rental agreements for buildings and office space, the right to perpetual usufruct of land, leasing of means of transport and leasing of computer equipment.

For contracts concluded for a definite period, the Comarch Group has adopted a lease period consistent with the lease agreement period, unless circumstances indicating the use of the option of extension or termination were known. Contracts concluded for an indefinite period with a notice period shorter than 12 months are not subject to measurement according to IFRS 16 (except for the agreement for lease of the stadium in Krakow at street Kałuży 1, which was valued according to IFRS 16 due to the strategic nature of rented property, and for which the Comarch Group accepts a 5 years lease period). The estimated value of liabilities resulting from other agreements concluded for an indefinite period for a period of 12 months amounts to approx. PLN 1,400

thousand. Contracts of lease for an indefinite period with a notice period longer than 12 months the Comarch Group has not identified.

In accordance with the IFRS 16 Leasing standard, the Comarch Group has implemented uniform accounting principles that require lessees to recognize assets and liabilities for all lease agreements, taking into account the exceptions listed in the standard. The Comarch Group recognizes the right to use the asset together with an appropriate leasing liability determined in the amount of discounted future payments during the lease term. Instead of the previously included in the costs of the basic activity of fees for the use of leased assets, depreciation calculated on the value of the asset due to the right of use was introduced. Depreciation is allocated according to production costs, overheads or selling costs. Instead of the interest paid on the current leasing instalments included in the financial costs, interest accrued on the leasing liability was introduced. Assets due to the right of use are amortized on a straight-line basis, whereas lease liabilities settled by the effective interest rate (the lesser interest rate of the lessee).

The lessee's marginal interest rate for a given leasing contract was determined as the sum of the risk-free rate depending on the currency and leasing period, the credit margin adjustment and the specific adjustment for the leased asset. The level of marginal interest rates applied by the Comarch Group is between 1.3% and 7.8%.

The implementation of IFRS 16 will have an impact on financial ratios calculated on the basis of the Comarch Group's financial statements, including those that are covenants in loan agreements concluded by the Comarch Group. The Comarch Group has excluded the impact of changes resulting from the implementation of IFRS 16 on the calculation of covenants in all loan agreements. The Management Board of the Comarch Group informs that it does not see any risk of exceeding the admissible values of covenants resulting from loan agreements concluded by the Comarch Group also in a situation when the data taking into account the application of IFRS 16 were used to calculate the value of covenants.

As at the balance sheet date, the 30th of June, 2021, the value of the right to use assets in the Comarch Group amounted to PLN 85,113 thousand and the value of lease liabilities PLN 89,192 thousand. The value of depreciation from the asset due to the right of use in 2021 amounted to PLN 10,742 thousand. The value of interest on leasing liabilities in 2021 amounted to PLN 1,334 thousand.

Impact of the application of IFRS 16 on the Comarch Group's financial statements

	At 30 June 2021 – published data	At 30 June 2021 – without IFRS 16
IMPACT ON THE BALANCE SHEET		
Total assets	2,024,218	1,939,193
Fixed assets	835,262	750,237
Asset due to the right of use	85,113	-
Total liabilities	2,024,218	1,939,193
Total liabilities, including:	902,903	813,777
Long-term liabilities	245,999	176,507
Current liabilities	656,904	637,270

Lease liabilities, including:	89,192	-
Long-term liabilities	69,492	-
Current liabilities	19,700	-

Equity attributable to the Company's shareholders	1,106,214	1,110,315
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IMPACT ON THE PROFIT AND LOSS ACCOUNT

Depreciation, including:	45,854	35,112
Depreciation of the right to use	10,742	-
Net profit	51,175	49,189
Net profit attributable to the company's shareholders	54,583	52,597

IMPACT ON THE CASH FLOW

Cash flow together	3,645	3,645
Net cash flow from operating activities	106,469	94,787
Net cash flow from investing activities	(99,794)	(99,794)
Net cash flow from financing activities	(3,030)	8,652

Depreciation of assets under the right of use	6 months ended 30 June 2021
Leasing of means of transport and computer equipment	560
Rent	9,985
Perpetual usufruct	196
Depreciation of assets under the right of use	10,742

The Comarch Group uses two simplifications regarding classifying the contract as a lease agreement by IFRS 16. The Comarch Group excluded from the valuation by IFRS 16 short-term contracts and agreements on low-value assets, i.e. with an initial value not exceeding USD 5,000. The use of the above simplifications by the Company obliges it to apply them throughout the standard's validity period. The applied simplifications are documented with appropriate accounting policy provisions. The cost related to contracts for short-term leasing and leasing of low-value assets in the first half of 2021 amounted to approx. PLN 614 thousand.

Standards and interpretations to standards already published and approved by EU, and effected on or after the 1st of January, 2021

- **Amendments to IFRS 4 Insurance Contracts** - extension of the temporary exemption from the application of IFRS 9, approved in the EU on the 16th of December, 2020 (the expiry date of the temporary exemption was extended from the 1st of January, 2021 to annual periods beginning on or after the 1st of January, 2023).

- **Amendments to IFRS 9 "Financial Instruments", IAS 39 "Financial Instruments: Recognition and Measurement", IFRS 7 "Financial Instruments – Information Disclosure, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform (reference rates) – Phase 2.** Amendments to these standards were published on the 27th of August, 2020, approved in the EU on the 13th of January, 2021. They apply to annual periods beginning on or after the 1st of January, 2021 or later.

The above-mentioned changes to standards did not affect the Comarch Group's financial statements for the first half of 2021.

New standards and amendments to existing standards issued by the IASB that have not yet entered into force at the balance sheet date (have not yet been approved for use by EU countries)

- **IFRS 14 Regulatory Deferral Accounts** published on the 30th of January, 2014 (the process of adoption for use by EU countries suspended).
- **IFRS 17 Insurance contracts**, published on the 18th of May, 2017, together with changes of the 25th of June, 2020. It is effective for annual periods beginning on or after the 1st of January, 2023.
- **Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture**, published on the 11th of September, 2014 (the adoption process by EU countries suspended).
- **Amendment to IAS 1 Presentation of financial statements: Classification of liabilities as short- and long-term**, published on the 23rd of January, 2020. It is effective for annual periods beginning on or after the 1st of January, 2022.
- **Amendments to IFRS 3, IAS 16, IAS 37 and annual amendments to the standards 2018-2020** published on the 14th of May, 2020. They are effective for annual periods beginning on or after the 1st of January, 2022.
- **Amendment to IAS 1 Disclosure of Accounting Policies and IAS 8 - Definition of Accounting Estimates** published on 12th of February, 2021 and applicable to annual periods beginning on or after 1st of January, 2023.
- **Amendment to IFRS 16 Leases - Covid-19 Reliefs granted after 30th of June, 2021**, published 31st of March, 2021 and effective for annual periods beginning on or after 1st of April, 2021.
- **Amendment to IAS 12 Leases - Income Taxes: Deferred tax relating to assets and liabilities arising from a single transaction**, published on 7th of May, 2021 and applicable to annual periods beginning on or after 1st of April, 2023.

The Comarch Group will apply the changed standards on the dates of their entry into force.

According to the assessment as at the date of preparation of this report, these changes should not have a significant impact on the financial statements.

The consolidated financial statement of the Comarch Group for the 6 months ended the 30th of June, 2021, comprises the financial statements of the following companies:

Company name	Relationship	Consolidation method	% held by Comarch S.A. in a subsidiary's share capital
Comarch S.A.	Parent company	Full	
Comarch AG	Subsidiary	Full	100%
Comarch Sistemas LTDA	Subsidiary	Full	80% held by Comarch AG, 20% held by Comarch Software und Beratung AG
Comarch Peru S.A.C.	Subsidiary	Full	95% held by Comarch AG, 5% held by Comarch S.A.
Comarch Software und Beratung AG	Subsidiary	Full	100% held by Comarch AG
Comarch Solutions GmbH	Subsidiary	Full	100% held by Comarch Software und Beratung AG
Comarch S.A.S.	Subsidiary	Full	100%
Comarch R&D S.A.S.	Subsidiary	Full	100%
Comarch Luxembourg S.à r.l.	Subsidiary	Full	100%
Comarch Inc.	Subsidiary	Full	100%
Comarch Panama Inc.	Subsidiary	Full	100% held by Comarch Inc.
Comarch Canada, Corp.	Subsidiary	Full	100%
Comarch Espace Connecté Inc.	Subsidiary	Full	100%
Comarch Middle East FZ-LLC	Subsidiary	Full	100%
Comarch LLC	Subsidiary	Full	100%
OOO Comarch	Subsidiary	Full	100%
Comarch Software (Shanghai) Co. Ltd.	Subsidiary	Full	100%
Comarch Technologies Oy	Subsidiary	Full	100%
Comarch UK Ltd.	Subsidiary	Full	100%
Comarch Japan KK	Subsidiary	Full	100% held by Comarch UK Ltd.
Comarch Chile SpA	Subsidiary	Full	100%
Comarch Software Spain S.L.U. en liquidación	Subsidiary	Full	100%
Comarch Colombia S.A.S.	Subsidiary	Full	100% held by Comarch Software Spain S.L.U.
Comarch Yazilim A.S.	Subsidiary	Full	100%
Comarch SRL	Subsidiary	Full	100%
Comarch Malaysia SDN. BHD.	Subsidiary	Full	100%
Comarch s.r.o.	Subsidiary	Full	100%
Comarch Pointshub, Inc.	Subsidiary	Full	100%
Comarch AB	Subsidiary	Full	100%
Comarch Argentina S.A.	Subsidiary	Full	95% held by Comarch S.A., 5% held by Comarch AG
Comarch Saudi Arabia Co.	Subsidiary	Full	95% held by Comarch S.A., 5% held by Comarch Infrastruktura S.A.
Comarch Mexico S.A. de C.V.	Subsidiary	Full	99% held by Comarch S.A., 1% held by CA Consulting S.A.
Comarch Yuhan Hoesa (Comarch Ltd.)	Subsidiary	Full	100%
Comarch (Thailand) Limited	Subsidiary	Full	98% held by Comarch S.A., 1% held by CA Consulting S.A., 1% held by Comarch Technologies sp. z o.o.
Comarch BV	Subsidiary	Full	100%
Comarch Pty. LTD	Subsidiary	Full	100%

Cabinet Conseil en Strategie Informatique S.A.S.	Subsidiary	Full	100%
Comarch New Zealand Limited	Subsidiary	Full	100%
LLC "Comarch Software"	Subsidiary	Full	100%
Comarch Technologies sp. z o.o.	Subsidiary	Full	100%
CA Consulting S.A.	Subsidiary	Full	100%
Geopolis sp. z o.o.	Subsidiary	Full	100%
Wszystko.pl sp. z o.o. (previously „Unitec” sp. z o.o.)	Subsidiary	Full	100%
Comarch Management sp. z o.o.	Subsidiary	Full	100%
Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty	Subsidiary	Full	100% of total number of investment certificates
Comarch Management sp. z o.o. SK-A	Subsidiary	Full	26.45% held by Comarch S.A., 8.82% held by CCF FIZ, 64.73% purchased by Comarch Management sp. z o.o. SK-A to be redeemed
Bonus Management sp. z o.o. SK-A	Subsidiary	Full	100% held by CCF FIZ
Bonus MANAGEMENT sp. z o.o. Cracovia Park SK-A	Subsidiary	Full	50% held by Bonus Management sp. z o.o. SK-A, 50% held by MKS Cracovia SSA
Bonus Development sp. z o.o. SK-A	Subsidiary	Full	100% held by CCF FIZ
Bonus Management sp. z o.o. II Activia SK-A	Subsidiary	Full	100% held by CCF FIZ
Bonus Development sp. z o.o. II Koncept SK-A	Subsidiary	Full	100% held by CCF FIZ
Comarch Healthcare S.A.	Subsidiary	Full	38.27% held by CCF FIZ, 17.33% held by Comarch S.A., 33.02% held by Comarch Software und Beratung AG, 11.38% held by CASA Management and Consulting sp. z o.o. SKA
Comarch Polska S.A.	Subsidiary	Full	100% held by CCF FIZ
Comarch Cloud S.A. (previously Comarch Pointshub S.A.)	Subsidiary	Full	100% held by CCF FIZ
Comarch Infrastruktura S.A.	Subsidiary	Full	100% held by CCF FIZ
iComarch24 S.A.	Subsidiary	Full	100% held by CCF FIZ
CASA Management and Consulting sp. z o.o. SK-A	Subsidiary	Full	100% held by CCF FIZ
Comarch Swiss AG	Subsidiary	Full	100% held by CASA Management and Consulting sp. z o.o. SK-A
CAMS AG	Subsidiary	Full	51% held by CASA Management and Consulting sp. z o.o. SK-A
Comarch Finance Connect sp. z o.o. (previously Opso sp. z o.o.)	Subsidiary	Full	100%
MKS Cracovia SSA	Subsidiary	Full	66.11%

3. Notes to the Consolidated Financial Statement

3.1. Reporting by Segments for 6 Months 2021

In the Comarch Group, business segments are basic type of operating segments, and geographical segments are the supplementary type of operating segments. The operations of Comarch's subsidiary units comprise the following types of activities:

- the sale of IT systems and services, including production of software for medicine sector, as well as sales of IT hardware (hereinafter referred to as the "IT segment"),
- professional sports (hereinafter referred to as the "Sport segment"; MKS Cracovia SSA,
- investment activity on capital market and activity in relation with real estate investment, (hereinafter referred to as the "Investment segment"),
- activity in relation to medical services (hereinafter referred to as the "Medicine segment").

IT Segment has a dominant share in sales revenue, profits and assets. IT Segment is divided into the DACH (Germany, Austria and Switzerland) market, Polish market and other markets according to the specific character of the activity in the segment

Due to the geographical business division, the Comarch Group defines the following market segments: Poland, DACH region (Germany, Austria, and Switzerland) and other countries. The Sport Segment, Medicine Segment and Investment Segment operate exclusively on Polish territory. Due to the fact that only the IT Segment operates abroad and, at the same time, costs incurred in the IT segment are largely common for export and domestic sales, it is pointless to define separate results for export and domestic activities.

The Comarch Group's sales is highly diversified and there is no dependency on a single customer. Within 6 months of 2021 the share of none of the customer exceeded 10% of total sales of the Comarch Group. Over 2020, Comarch Group revenue structure was as follows: 25% of annual sales were achieved in the first quarter, 21% in the second quarter, 23% in the third quarter and 31% in the fourth quarter. Over 2021, the Comarch Group expects the distribution of sales revenue similar to that of 2020.

6 months ended 30 June 2020	IT Segment			Investment Segment	Sport Segment	Medicine Segment	Eliminations	Total
	Polish market	DACH market	Other markets					
Revenue per segment- sales to external clients, including:	358,410	145,002	187,409	(635)	12,930	5,400	-	708,516
Revenue from sales:	371,263	142,155	177,514	1,249	11,350	5,253	-	708,784
To customers in Telecommunication, Media, IT sector	55,487	33,626	53,735	-	-	-	-	142,848
To customers in Finance and Banking sector	88,925	17,143	15,140	-	-	-	-	121,208
To customers in Trade and services sector	35,994	11,721	77,253	-	-	-	-	124,968
To customers in Industry&Utilities	42,648	15,964	27,395	-	-	-	-	86,007
To customers in Public sector	51,298	5,557	-	-	-	-	-	56,855
To customers in small and medium enterprises sector	86,171	58,144	-	-	-	-	-	144,315
To customers in Medicine sector	10,510	-	3,971	-	-	5,253	-	19,734
To other customers	230	-	20	1,249	11,350	-	-	12,849
Other operating revenue	2,929	4,658	5,185	133	1,580	133	-	14,618
Finance revenue	(15,782)	(1,811)	4,710	(2,017)	-	14	-	(14,886)

Revenue per segment - sales to other segments	166,045	16,085	17,236	4,018	3,907	-	(207,291)	-
Revenue per segment - total *	524,455	161,087	204,645	3,383	16,837	5,400	(207,291)	708,516
Costs per segment relating to sales to external clients	319,407	133,908	176,496	1,492	14,138	6,178	-	651,619
Costs per segment relating to sales to other segments	166,045	16,085	17,236	4,018	3,907	-	(207,291)	-
Costs per segment - total *	485,452	149,993	193,732	5,510	18,045	6,178	(207,291)	651,619
Current taxes	(9,027)	(4,420)	(4,116)	(265)	-	-	-	(17,828)
Assets for the tax due to investment allowances and other tax relief	(3,715)	379	(1,742)	89	41	-	-	(4,948)
Share of segment in the result of parties valuated using the equity method of accounting	-	-	-	-	-	-	-	-
Net result, including:	26,261	7,053	5,055	(2,303)	(1,167)	(778)	-	34,121
Result attributable to shareholders of the parent company	26,261	7,053	5,055	(2,300)	(772)	(778)	-	34,519
Result attributable to minority interest	-	-	-	(3)	(395)	-	-	(398)

*) Items comprise revenue and costs of all types, which can be directly allocated to particular segments

Sales between specific segments are calculated based on market conditions.

Share of business segments in Assets and Liabilities and Investment Expenditures

The following table presents the assets and liabilities of particular segments as at the 30th of June, 2020, as well as investment expenditures and depreciation in during 6 months of 2020:

30 June 2020 / 6 months ended 30 June 2020

	IT Segment			Investment Segment	Sport Segment	Medicine Segment	Total
	Poland	DACH region	Other countries				
Assets	1,050,357	285,155	344,661	147,348	88,526	8,964	1,925,011
Liabilities	466,744	110,988	264,823	35,529	36,381	4,935	919,400
Investment expenditures	19,684	5,478	4,434	4,221	7,473	763	42,053
Depreciation	28,642	8,232	5,207	1,759	2,400	217	46,457

6 months ended 30 June 2021	Polish market	IT Segment DACH market	Other markets	Investment Segment	Sport Segment	Medicine Segment	Eliminations	Total
Revenue per segment- sales to external clients, including:	386,713	133,015	189,981	7,568	10,864	15,301	-	743,442
Revenue from sales:	380,365	129,949	185,834	1,407	9,906	13,885	-	721,346
To customers in Telecommunication, Media, IT sector	86,543	23,929	71,777	-	-	-	-	182,249
To customers in Finance and Banking sector	66,622	19,402	17,300	-	-	-	-	103,324
To customers in Trade and services sector	20,566	17,636	72,182	-	-	-	-	110,384
To customers in Industry&Utilities	38,698	18,692	22,304	-	-	-	-	79,694
To customers in Public sector	51,256	-	2	-	-	-	-	51,258
To customers in small and medium enterprises sector	104,384	50,290	-	-	-	-	-	154,674
To customers in Medicine sector	11,959	-	1,895	-	-	13,885	-	27,739
To other customers	337	-	374	1,407	9,906	-	-	12,024
Other operating revenue	3,219	2,855	3,414	-	756	678	-	10,922
Finance revenue	3,129	211	733	6,161	202	738	-	11,174
Revenue per segment - sales to other segments	194,612	13,136	15,287	4,249	3,729	-	(231,013)	-
Revenue per segment - total *	581,325	146,151	205,268	11,817	14,593	15,301	(231,013)	743,442
Costs per segment relating to sales to external clients	323,249	123,536	186,010	1,286	21,046	12,294	-	667,421
Costs per segment relating to sales to other segments	194,612	13,136	15,286	4,249	3,730	-	(231,013)	-
Costs per segment - total *	517,861	136,672	201,296	5,535	24,776	12,294	(231,013)	667,421
Current taxes	(6,760)	(2,889)	(9,963)	(238)	-	-	-	(19,850)
Assets for the tax due to investment allowances and other tax relief	(4,112)	(1,258)	62	(69)	380	-	-	(4,997)
Share of segment in the result of parties valuated using the equity method of accounting	1	-	-	-	-	-	-	1
Net result, including:	52,593	5,332	(5,929)	5,975	(9,803)	3,007	-	51,175
Result attributable to shareholders of the parent company	52,593	5,332	(5,929)	5,978	(6,398)	3,007	-	54,583
Result attributable to minority interest	-	-	-	(3)	(3,405)	-	-	(3,408)

*) Items comprise revenue and costs of all types, which can be directly allocated to particular segments

Sales between specific segments are calculated based on market conditions.

Share of business segments in Assets and Liabilities and Investment Expenditures

The following table presents the assets and liabilities of particular segments as at the 30th of June, 2021, as well as investment expenditures and depreciation in during 6 months of 2021:

30 June 2021 / 3 months ended 30 June 2021

	IT Segment			Investment Segment	Sport Segment	Medicine Segment	Total
	Poland	DACH region	Other countries				
Assets	1,084,371	282,256	400,412	142,467	105,135	9,577	2,024,218
Liabilities	410,306	117,714	311,921	32,332	29,675	955	902,903
Investment expenditures	131,188	1,219	3,521	293	5,039	433	141,693
Depreciation	28,796	5,365	5,908	1,807	3,633	345	45,854

The following table presents the allocation of revenue from sales, assets and total investment expenditures into geographical segments.

Revenue from basic sales - activities location

	6 months ended 30 June 2021		6 months ended 30 June 2020	
		%		%
Poland	405,563	56.2	389,115	54.9
DACH region	129,949	18.0	142,155	20.1
Other countries	185,834	25.8	177,514	25.0
Total	721,346	100.0	708,784	100.0

Assets – activities location

	6 months ended 30 June 2021		6 months ended 30 June 2020	
		%		%
Poland	1,341,540	66.3	1,258,575	62.8
DACH region	282,256	13.9	281,439	14.1
Other countries	400,422	19.8	463,544	23.1
Total	2,024,218	100.0	2,003,558	100.0

Investment expenditures – activities location

	6 months ended 30 June 2021		12 months ended 31 December 2020		6 months ended 30 June 2020	
		%		%		%
Poland	136,953	96.7	112,684	86.3	32,141	76.5
DACH region	1,219	0.8	4,192	3.0	5,478	13.0
Other countries	3,521	2.5	13,949	10.7	4,434	10.5
Total	141,693	100.0	130,825	100.0	42,053	100.0

3.2. Property, Plant and Equipment

	30 June 2021	31 December 2020
Lands and buildings	418,417	425,495
Means of transport and machinery	129,912	134,584
Property, plant and equipment under construction	12,940	9,589
Others	10,957	12,434
Advance money for property, plant and equipment under construction	142	56
Total	572,368	582,158

Property, plant and equipment comprise mostly real estates and machinery owned by Comarch Group. As at the 30th of June, 2021, the Comarch Group's property are six office buildings in the Special Economic Zone in Krakow ("SEZ") at 74,144 square metres of the total space, two office buildings in Warsaw at 2,542 square metres of the total space and office buildings in Łódź at 12,572 square metres of the total space, one office building and data centre in Lille at 2,526 square metres of the total space, and an office building and data centre in Dresden at 2,144 square metres of the total space. The Comarch Group owns also lands in the Special Economic Zone in Krakow at approx. 2.01 ha of the total area and 1.21 ha in Mesa, Arizona, USA. Property, plant and equipment also include the MKS Cracovia SSA Training and Research Centre commissioned for use in the fourth quarter of 2020 with a total investment of PLN 42,586 thousand. The centre consists of 6 pitches, including 3 full-size ones, a sports hall with a football field, a building that serves as a hotel for players and 2 other buildings. As at the 30th of June, 2021, property, plant and equipment under construction comprise mostly expenditures related to modernization works of buildings incurred by Bonus Management sp. z o.o. SKA and Bonus Management sp. z o.o. II Activia SKA (an amount of PLN 6,167 thousand) and expenditures related to construction of Data Centre Comarch Inc. in the USA in the amount of PLN 3,370 thousand.

3.3. Asset due to the Right of Use

	30 June 2021	31 December 2020
Leasing of means of transport and IT equipment	1,559	1,837
Rent	56,730	59,269
Perpetual usufruct	26,824	27,116
Total	85,113	88,222

Value of depreciation of the asset due to the right of use in the first half of 2021 amounted to PLN 10,742 thousand.

3.4. Investment Real Estate

	30 June 2021	31 December 2020
Lands	7,431	7,431
Buildings	31,593	32,443
Total	39,024	39,874

Investment real estate relates to developed lands used for lease to entities outside the Comarch Group and lands located in Krakow, purchased in order to construct buildings dedicated for lease to the entities outside the Comarch Group. As at the 30th of June, 2021, investment real estate comprises two office buildings, placed in Krakow at 8,629 square metres of the total space, 4 residential buildings at 1,057 square metres of the total space, 1 service and production building with an area of 600 square metres (all located in Kraków), 2 services and warehouse buildings with an area of 2,611 square metres, located in Zabierzów, as well as real estate located in Kostrzyn with an area of 1,315 square metres.

3.5. Goodwill

Goodwill comprises Company's value established at purchases of shares in the following companies:

	30 June 2021	31 December 2020
Comarch Kraków	99	99
CDN Comarch	1,227	1,227
Comarch AG	1,900	1,900
Comarch, Inc.	58	58
Comarch Software und Beratung AG	29,038	29,038
Comarch Swiss AG	8,413	8,413
Cabinet Conseil en Strategie Informatique S.A.S.	5,039	5,039
Total	45,774	45,774

A test for loss in value was run as at the 31st of December, 2020 and did not show any loss in value regarding goodwill. The methodology used to run the test will be described in details in the annual financial statements for 2020.

3.6. Others Intangible Assets

	30 June 2021	31 December 2020
Costs of finished development works	-	-
Perpetual usufruct right	37,419	37,466
Licences and software	10,570	10,859
Other	5,715	7,203
Advance money for intangible assets	-	-
Total	53,704	55,528

Other intangibles include valuation of assets, classified as intangible assets, related to the right to use MKS Cracovia SSA players' cards in the amount of PLN 5,715 thousand.

The perpetual usufruct right for land related to MKS Cracovia SSA that is worth PLN 31,650 thousand is considered the intangible asset with unspecified period of use and is not depreciated. The Company expects renewal of perpetual usufruct right which will occur without incurring any major costs, as the Company is not obliged to meet any conditions, which would decide about extension of this right. The Company does not expect incurring any major costs when renewal of perpetual usufruct right, having in mind current activities of the co-owner of the sports club, i.e. Krakow commune.

3.7. Investment in Associates

As at 30th of June, 2021, the Comarch Group does not have any investments in associates.

At 1 January 2020	570
Granting loan by SolInteractive S.A.	-
Repayment of loan by SolInteractive S.A.	(570)
At 30 June 2020	0
At 1 January 2020	570
Granting loan to SolInteractive S.A.	-
Repayment of loan by SolInteractive S.A.	(570)
At 31 December 2020	-
At 1 January 2021	-
Granting loan to SolInteractive S.A.	-
Repayment of loan by SolInteractive S.A.	-
At 30 June 2021	-

3.8. Financial Assets Available for Sale

	30 June 2021	31 December 2020
Financial assets available for sale	100,140	20,001
Total	100,140	20,001

On the 30th of June, 2021, the financial assets available for sale consisted of those owned by Comarch S.A. participation units in debt securities investment funds, purchased as an investment of free cash. All participation units purchased by the company relate to low-risk sub-funds holding government and corporate debt securities as well as money market instruments. As at the 30th of June, 2021, the above-mentioned participation units were valued at fair value according to market price, and changes in the valuation were referred to the result on financial operations. The total value of the participation units at purchase price was PLN 100,000 thousand. PLN, and the total value of the participation units according to their valuation as at the balance sheet date was PLN 100,140 thousand.

Comarch S.A. intends to sell financial assets available for sale held as at 30th of June, 2021 within 12 months from the balance sheet date.

After the balance sheet date

Comarch S.A. in the period from 1st of July, 2021 to 31st of August, 2021, sold participation units in investment funds for the total amount of PLN 15,035 thousand. The last available before the publication of the report valuation of participation units held by Comarch S.A. amounted to PLN 85,229 thousand. This is the valuation of participation units published by individual investment funds, valid as of the 26th of August, 2021.

3.9. Derivative Financial Instruments

a) Assets

	30 June 2021	31 December 2020
Forward foreign exchange contracts – held-for-trading	5,314	2,716
Transaction on change of IRS	-	-
	5,314	2,716
<i>Current portion</i>	3,009	2,119
<i>Non-current portion</i>	2,305	597

b) Liabilities

	30 June 2021	31 December 2020
Forward foreign exchange contracts – held-for-trading	576	5,958
Transaction on change of IRS	2,426	3,501
	3,002	9,459
<i>Current portion</i>	395	3,820
<i>Non-current portion</i>	2,607	5,639

Comarch Group held forward contracts to reduce the effect of changes in cash flows on financial result, where cash flows are related to the planned transactions and changes are the result of foreign exchange risk. As at the 30th of June, 2021, the above-mentioned instruments were valued at fair value according to market price and changes in valuation were referred into the results from financial operations. Total net value of forward contracts that were open as at the 30th of June, 2021, amounted to EUR 65,900 thousand, USD 16,900 thousand, NZD 3,000 thousand and GBP 1,200 thousand.

On the 9th of July, 2014, Comarch S.A. concluded a transaction on change of IRS for investment credit taken in June 2006 from BNP Paribas Bank Polska S.A. with its registered office in Warsaw, for financing of the third construction stage of production and office buildings in the Special Economic Zone in Krakow. As a consequence of the concluded transaction, variable EURIBOR1M rate was changed into a fixed interest rate. The hedging transaction was concluded for the period of 10 years, i.e. till the 29th of July, 2024. As at the 30th of June, 2021, valuation of the IRS transaction amounted to minus PLN 205 thousand.

On the 23rd of October, 2015, Comarch S.A. concluded a transaction on change of IRS for investment credit taken on the 4th of December, 2013, from Bank Pekao S.A. with its registered office in Warsaw. As a consequence of the concluded transaction, variable EURIBOR1M rate was changed into a fixed interest rate. The hedging transaction was concluded for the period of 8 years, i.e. till the 30th of November, 2023. As at the 30th of June, 2021, valuation of the IRS transaction amounted to minus PLN 164 thousand.

On the 20th of February, 2017, Comarch S.A. concluded a transaction on change of IRS for an investment credit granted in May 2016 by the Bank Handlowy with its registered office in Warsaw. As a consequence of the concluded transaction variable EURIBOR1M rate was changed into a fixed interest rate. The hedging transaction was concluded till the 29th of February, 2028. As at the 30th of June, 2021, valuation of the IRS transaction amounted to minus PLN 1,204 thousand.

On the 27th of November, 2017, Bonus Development Sp. z o.o. SKA concluded a transaction on change of IRS for an investment credit taken on the 29th of June, 2015, from Bank Pekao S.A. with its registered office in Warsaw. As a consequence of the concluded transaction variable EURIBOR1M rate was changed into a fixed interest rate. The hedging transaction was concluded till the 31st of May, 2030. As at the 30th of June, 2021, valuation of the IRS transaction amounted to minus PLN 853 thousand.

After the balance sheet date

Between the 1st of July, 2021, and the 31st of August, 2021, the Comarch Group has concluded new forward contracts for the sales of currency in the amount of EUR 1,000 thousand and USD 1,000 thousand. The total net value of open forward contracts as of the 31st of August, 2021, amounted to EUR 62,400 thousand, USD 16,100 thousand, JPY 80,000 thousand, GBP 1,200 thousand and NZD 2,300 thousand. The contracts will be settled within 38 months from the balance sheet date. All forward contracts have been concluded in order to limit the influence of currency exchange rates on the financial results related to the contracts carried out by companies in Comarch Group, in which the remuneration or cost is set in a foreign currency.

3.10. Deferred Income Tax

	30 June 2021	31 December 2020
Deferred income tax assets		
Temporary differences	20,230	21,954
Asset due to a tax loss	5,619	5,526
Asset due to activities in Special Economic Zone ("SEZ")	7,235	8,384
Total	33,084	35,864
<i>Charged to financial result</i>	<i>33,084</i>	<i>35,864</i>

Comarch S.A. has three unused permits to operate in the Special Economic Zone in Krakow:

- obtained in 2013, its validity term has not been specified;
- obtained in February 2016, its validity term has not been specified;
- obtained in March 2016, its validity term has not been specified.

The Company also notes that on the 23rd of July, 2013, The Council of Ministers adopted a regulation extending the term of functioning of special economic zones in Poland to 2026.

Pursuant to IAS 12, unused tax relief as at the 30th of June, 2021, constitutes a deferred income tax asset. The company, while operating in the SEZ, originally had five permits. An investment relief due to the permit obtained in 1999 was fully utilized (its period of validity was the 31st of December, 2017). The investment tax relief under the permit obtained in 2007 was fully utilized, its value as at the 30th of June, 2021, is zero. Limit of the unused investment tax relief under the permit obtained in 2013, regarding investment in the office building SSE6, amounted to approx. PLN 26,418 thousand as at the 30th of June, 2021 (after discounting at the permit date). Limit of the unused investment tax relief under the permit obtained in March 2016, regarding investment in the office building SSE7 in Cracow, amounted to approx. PLN 22,809 thousand as at the 30th of June, 2021 (after discounting at the permit date). The company has no intention to use the permit obtained in February 2016 due to the fact of receiving (after obtaining it), co-financing of investment outlays to be incurred in this permit - to eliminate the risk of using two forms of public aid related to one investment.

During the first half of 2021, the Comarch Group settled in part a deferred tax asset related to temporary differences that was established on the 31st of December, 2020, and worth PLN 4,756 thousand, and created an asset due to temporary differences in the amount of PLN 3,032 thousand, as well as created an asset due to tax loss in the amount of PLN 588 thousand and released an asset of the same title in the amount of PLN 495 thousand. The total effect of the above-mentioned operations on the net result of the reporting period was minus PLN 1,631 thousand.

Deferred income tax assets are determined in the amount anticipated to be deducted from income tax in the future, due to negative temporary differences and income tax relief in connection with conducting business activity in SEZ, which will cause in the future a reduction in the basis for calculating income tax and a tax loss deductible, determined taking into account the precautionary principle. Due to the above principle, assets from operations in SEZ are set only in the annual time horizon, taking as base to determine the average income from zonal activity from the period of 3 years, selected from the five-year period (including the year for which the report is drawn up), after rejecting two extreme values.

During the first half of 2021, the Comarch Group settled an asset created for the zone operations in the amount of PLN 1,149 thousand which were created as at 31st of December, 2020. At the same time, in accordance with IAS 12, the Company, in the next year, will regularly verify the valuation of the Asset recognized for its feasibility. We would like to point out that the recognition of Assets does not affect cash flows in the parent company or in the Comarch Group (both the recognition of Assets, as well as its implementation). Therefore, this operation is purely accrual and results from the application by the Comarch Group of International Financial Reporting Standards for the preparation of the consolidated financial statements of the Comarch Group.

The total impact of changes in the first half of 2021 results is minus PLN 2,780 thousand.

	30 June 2021	31 December 2020
Deferred income tax provision		
Temporary differences	19,232	18,554
Provision due to valuation of real estate of MKS Cracovia SSA	5,430	5,430
Provision due to valuation of certificates in CCF FIZ	24,333	22,794
Total	48,995	46,778
<i>Charged to equity</i>	<i>5,430</i>	<i>5,430</i>
<i>Charged to financial result</i>	<i>43,565</i>	<i>41,348</i>

Due to valuation of net assets of CCF FIZ during the first half of 2021, a deferred tax provision was increased by PLN 1,539 thousand. At the same time, a deferred tax provision due to temporary differences was recognized in the amount of PLN 2,296 thousand and dissolved in the amount of PLN 1,618 thousand. The total effect of the above-mentioned operations on the net result of the first quarter of 2021 was minus PLN 2,217 thousand.

Total changes in the deferred income tax resulted in a decrease in result of PLN 4,997 thousand.

In relation to MKS Cracovia SSA and Comarch Healthcare S.A., despite of the fact that the tax loss existed, a deferred tax asset was not created due to the lack of possibility to make the reliable estimates of the income tax allowing the use of existing tax loss from previous years.

3.11. Inventories

	30 June 2021	31 December 2020
Raw materials	3,326	2,101
Work in progress	85,812	74,814
Goods	11,437	10,437
Finished products	240	190
Advance due to finished products	1,230	573
Total	102,045	88,115

The cost of inventories included in 'Costs of products, goods and materials sold' in the income statement amounted to PLN 206,717 thousand (6 months ended the 30th of June, 2021), PLN 424,442 thousand (12 months ended the 31st of December, 2020), PLN 215 690 thousand (6 months ended the 30th of June, 2020).

During six months of 2021, Comarch Group has not created write-offs that revaluated value of materials and finished products. The Comarch Group resolved write-offs revaluated goods and materials which had been created in the previous years in the amount of PLN 473 thousand.

3.12. Trade and Other Receivables

	30 June 2021	31 December 2020
Trade receivables - net	297,880	388,009
Trade receivables	366,928	457,257
Write-off revaluating receivables	(69,048)	(69,248)
Other receivables	26,337	19,284
Short-term prepayments	26,004	18,020
Other prepayments	-	-
Loans	4,567	4,543
Trade receivables and other receivables from related parties - net	1	2
Trade receivables and other receivables from related parties	1	2
Write-off revaluating receivables	-	-
Total	354,789	429,858
<i>Current portion</i>	<i>354,789</i>	<i>429,858</i>

The fair value of trade and other receivables is close to their balance sheet value presented above. There is no concentration of credit risk with respect to trade receivables as Comarch Group has a large number of customers. During the first half of 2021, the Comarch Group recognised a write-off due to loss in value of its trade receivables that was worth PLN 22,739 thousand and dissolved previously created write-offs worth PLN 20,313 thousand in relation to payment of debts. These operations were presented in the income statement in other operating costs and revenue, respectively.

3.13. Long-term Contracts

Due to the fact that the company applies the rule of determining the degree of work progress in proportion to the share of incurred costs in the entire costs of a contract, the sum of incurred costs and recognized results corresponds to revenue. At the end of the reporting period, long-term contracts were evaluated in accordance with the degree of work progress.

	6 months ended 30 June 2021	6 months ended 30 June 2020
Revenue from completed contracts recognized in the reporting period	18,960	17,350
Revenue from contracts not completed recognized in the reporting period	239,559	241,920
Revenue from contracts not completed recognized in the reporting period- an effect of settlement pursuant to IFRS 15	20,505	21,615
Total	279,024	280,885

Changes in settlements due to long-term contracts recognized in assets and liabilities between the 30th of June, 2020, and the 30th of June, 2021, are presented below:

	30 June 2021	30 June 2020
Long-term contracts revenue included to the balance sheet date - determined according to the progress of work	1,817,784	1,691,762
Issued invoices	(1,787,489)	(1,649,114)
Total	30,295	42,648

	Long-term contracts receivables	Long-term contracts liabilities	Net
Value as at 1 January 2020	193,865	(172,831)	21,034
Correction of the current period (reversal of the adjustment due to the application of IFRS 15)	(6,537)	(4,200)	(10,737)
Correction of the current period	25,428	6,924	32,352
Value as at 30 June 2020	212,756	(170,107)	42,649
Change	18,891	2,724	21,615
Value as at 1 January 2021	157,441	(147,651)	9,790
Correction of the current period (reversal of the adjustment due to the application of IFRS 15)	-	(1,064)	(1,064)
Correction of the current period	16,041	5,528	21,569

Value as at 30 June 2021	173,482	(143,187)	30,295
Change	16,041	4,464	20,505

3.14. Share Capital

	Number of shares	Ordinary and preference shares	Own shares	Number of shares
At 1 January 2020	8,133,349	8,133,349	-	8,133,349
At 31 December 2020	8,133,349	8,133,349	-	8,133,349
At 30 June 2021	8,133,349	8,133,349	-	8,133,349

The nominal value of one share is PLN 1.

The share capital of Comarch S.A. consists of:

1. 864,800 series A registered preference shares by votes,
2. 75,200 series A ordinary shares,
3. 883,600 series B registered preference shares by votes,
4. 56,400 series B ordinary shares,
5. 3,008,000 series C ordinary shares,
6. 1,200,000 series D ordinary shares,
7. 638,600 series E ordinary shares,
8. 125,787 series G ordinary shares,
9. 102,708 series G3 ordinary shares,
10. 563,675 series H ordinary shares,
11. 441,826 series I2 ordinary shares,
12. 91,041 series J2 ordinary shares,
13. 73,953 series K3 ordinary shares,
14. 7,759 series L1 ordinary shares.

Registered shares in series A and B are preferential and each such share corresponds with 5 votes at the General Meeting. The conversion of registered shares into bearer shares is allowed. In case of that registered shares are converted into bearer shares, they lose all preferences. In case that registered preferential shares by votes are disposed their specific voting rights at the General Meeting expire, however their specific voting rights at the General Meeting do not expire in case of:

- a. disposal for the benefit of persons who were shareholders of the company on the 18th of March, 1998,
- b. disposal for the benefit of descendants of a disposer,
- c. conveying property of a registered share as a result of succession.
- d. disposal for the benefit of a legal person or non-corporate organizational unit of Polish or foreign law, including in particular, for the benefit of quasi-corporate unit of Polish or foreign law ("Structure") controlled, within the meaning of art. 8 sec 5 of the company's articles of association, only by a shareholder who contributes (disposes) registered preference shares by votes to the Structure ("Contributing Shareholder") or (jointly) controlled only by the Contributing Shareholder's relatives in the ascending and descending line, siblings or spouse, or (jointly) controlled by some or all of the persons mentioned above ("Related Person or Related Persons") and the Contributing Shareholder jointly ("Controlled Structure") and disposal by the one

Controlled Structure of the registered preference shares by votes for the benefit of the other Controlled Structure.”.

The written consent of the Management Board is required to dispose of registered shares. The sale of shares without the permission of the Management Board is possible on the condition that it is stated in Comarch S.A.’s statute. Every ordinary share entitles its holder to one vote at the AGM. The conversion of bearer shares into registered shares is not permitted.

3.14.1. Changes in Share Capital in the First Half of 2021

None present.

3.14.2. Changes in Share Capital after the Balance Sheet Date

None present.

3.15. Credits and Loans

	30 June 2021	31 December 2020
Non-current	122,047	116,760
Non-revolving credits	121,332	115,617
Revolving credits	-	-
Loans	715	1,143
Current	42,852	40,176
Non-revolving credits	38,460	34,723
Revolving credits	-	413
Loans	4,392	5,040
Total credits and loans	164,899	156,936

The value of liabilities due to bank credits and loans was recognized in the amount of depreciated cost that was determined using the effective interest rate. The fair value of liabilities due to credits and loans does not differ significantly from the balance sheet value.

In the first half of 2021, the value of drawdown credits and loans granted to entities outside the Comarch Group amounted to PLN 21,873 thousand. During the first half of 2021, the Comarch Group launched non-revolving bank loans and credits from entities outside the Comarch Group amounted to PLN 33,320 thousand. As at the balance sheet date, the Comarch Group did not use the overdraft facility.

Within reporting period, there were neither overdue payments nor interest payments on credits and loans. Comarch did not breach of any provisions of the credit or loan agreements that could entitle the creditor to claim earlier repayment of the credit or loan.

The exposure of Comarch Group bank credits to interest rate changes	12 months or less	1-5 years	Over 5 years	Total
At 31 December 2020				
Credits and loans	40,176	87,832	28,928	156,936

At 30 June 2021

Credits and loans	42,852	93,623	28,424	164,899
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The maturity of non-current bank credits, loans and financial liabilities	30 June 2021	31 December 2020
Between 1 and 2 years	39,191	34,767
Between 2 and 5 years	54,432	53,065
Over 5 years	28,424	28,928
	122,047	116,760

The maturity of non-current bank credits, loans and financial liabilities	30 June 2021	31 December 2020
In Polish currency (PLN)	4,973	5,749
In EUR (equivalence in PLN)	159,926	151,187
	164,899	156,936

Effective interest rates at the balance sheet date	30 June 2021	31 December 2020
Bank credits	0.98%	1.46%
Loans	1.54%	2.44%

3.15.1. Non-Revolving Credits and Loans

Debtor	Financial Institution	Total amount of credit/loan according to the agreement		Amount to be paid as at the balance sheet date				Interest conditions	Repayment date	Securities
		Value	Currency	Value	Currency	Value	Currency			
Comarch S.A.	BNP Paribas Bank Polska S.A.	44,000	PLN	2,003	EUR	9,054	PLN	EURIBOR1M + bank margin	29 th of July, 2024	mortgage on the SSE4 building, assignment of rights from the building's insurance policy, blank promissory note, declaration on submission to enforcement
office buildings SSE4 in Krakow				(2,309 as at 31 st of December, 2020)		(10,655 as at 31 st of December, 2020)		IRS till the 29 th of July, 2024		
Comarch S.A.	Powszechna Kasa Oszczędności	4,126	EUR	129	EUR	583	PLN	EURIBOR1M + bank margin	29 th of September, 2021	mortgage on the SSE5 building, assignment of

office buildings SSE5 in Krakow - refinancing	Bank Polski S.A.			(387 ma 31 st of December, 2020)		(1,784 as at 31 st of December, 2020)				rights from the building's insurance policy, blank promissory note, declaration on submission to enforcement
Comarch S.A.				4,022		18,182				
office buildings SSE6 in Krakow	Bank Polska Kasa Opieki S.A.	13,323	EUR	(4,848 as at 31 st of December, 2020)	EUR	(22,372 as at 31 st of December, 2020)	PLN	EURIBOR1M + bank margin	30 th of November, 2023	mortgage on the SSE6 building, assignment of rights from the building's insurance policy, assignment of rights from the guarantee of due performance and guarantee of the warranty, declaration on submission to enforcement
Comarch S.A.				10,550		47,692				
office buildings SSE7 in Krakow	Bank Handlowy w Warszawie S.A.	13,333	EUR	(11,340 as at 31 st of December, 2020)	EUR	(52,330 as at 31 st of December, 2020)	PLN	EURIBOR1M + bank margin	29 th of February, 2028	mortgage on the SSE7 building, assignment of rights from the building insurance policy, declaration on submission to enforcement
Comarch S.A.				875		3,958				
Property, plant and equipment in use - equipment of Internet of Things laboratory in Krakow	DNB Bank Polska S.A.	2,531	EUR	(1,050 as at 31 st of December, 2020)	EUR	(4,848 as at 31 st of December, 2020)	PLN	EURIBOR1M + bank margin	30 th of December, 2023	registered pledge on fixed assets being the subject of financing, assignment of rights under the insurance policy for financed fixed assets, declaration on submission to enforcement
Bonus Development sp. z o.o. SK-A				5,722		25,866				
	Bank Polska Kasa Opieki S.A.	9,262	EUR		EUR		PLN	EURIBOR1M + bank margin	31 st of May, 2030	mortgage on an office building in Łódź, a statement by Bonus Development Sp. z o.o. SK-A on submission to enforcement, assignment of rights from the insurance policy of an office building in Łódź, assignment of rights from the guarantee of due performance and warranty guarantee, assignment of rights under the lease of the financed property concluded with Comarch SA, surety from Comarch SA, declaration on submission to

Office buildings in Lodz				(6,041 as at 31 st of December, 2020)		(27,878 as at 31 st of December, 2020)				enforcement Comarch SA.
Comarch S.A.S, Comarch S.A.				2,945		13,314				mortgage on the second place on the estate Comarch S.A. (Krakow, Michał Życzkowski Street 23, building SSE4), statement by Comarch S.A. on submission to enforcement, assignment of rights from the insurance policy
Data Centre in Lille in France	BNP Paribas Bank Polska S.A.	8,000	EUR	(3,600 as at 31 st of December, 2020)	EUR	(16,613 as at 31 st of December, 2020)	PLN	EURIBOR3M + bank margin	18 th of September, 2023	
Comarch S.A.				2,100		9,495				
Comarch infrastructure modernization program	CaixaBank S.A. Oddział w Polsce (branch in Poland)	3,500	EUR	(2,567 as at 31 st of December, 2020)	EUR	(11,843 as at 31 st of December, 2020)	PLN	EURIBOR1M + bank margin	23 rd of August, 2023	Declaration of submission to enforcement
Comarch S.A.				2,299		10,391				
Comarch infrastructure modernization program	CaixaBank S.A. Oddział w Polsce (branch in Poland)	2,300	EUR	(437 as at 31 st of December, 2020)	EUR	(2,018 as at 31 st of December, 2020)	PLN	EURIBOR1M + bank margin	29 th of June, 2025	Declaration of submission to enforcement
Comarch S.A.						985				
Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska sp. z o.o.	12,980	PLN			(2,142 as at 31 st of December, 2020)	PLN	fixed	1 st of March, 2022	-
Comarch Polska S.A.						830				
Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska sp. z o.o.	3,475	PLN			(1,274 as at 31 st of December, 2020)	PLN	fixed	1 st of May, 2022	Comarch S.A. surety
Comarch S.A.						776				
	IBM Global Financing Polska sp. z o.o.	3,139	PLN				PLN	fixed	1 st of May, 2022	-

Delivery of IT equipment related to IT project realized by the Comarch Group						(1,193 as at 31 st of December, 2020)				
Comarch S.A.						684				
Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska sp. z o.o.	1,825	PLN			(1,140 as at 31 st of December, 2020)	PLN	fixed	1 st of March, 2022	-
Comarch S.A.						1,698				
Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska sp. z o.o.	2,145	PLN			(0 as at 31 st of December, 2020)	PLN	fixed	1 st of February, 2023	-
Comarch S.A.										
Property, plant and equipment in use	PKO Leasing S.A.	5,000	EUR	4,702		21,257	PLN	EURIBOR1M + margin	29.02.2028	a blank promissory note, registered pledge on the Subject of Financing, transfer of ownership to secure the Subject of Financing
				(0 as at 31 st of December, 2020)		(0 as at 31 st of December, 2020)				
CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)										
Financing operating activities	CAISSE D'EPARGNE	30	EUR	0	EUR	0	PLN	fixed	5 th of February, 2023	-
				(24 as at 31 st of December, 2020)		(79 as at 31 st of December, 2020)				
CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)										
Financing operating activities	CAISSE D'EPARGNE	51	EUR	0	EUR	0	PLN	fixed	5 th of December, 2021	-
				(21 as at 31 st of December, 2020)		(100 as at 31 st of December, 2020)				

CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)	HSBC	200	EUR	30	EUR	134	PLN	fixed	1 st of January, 2022	surety
Financing operating activities				(63 as at 31 st of December, 2020)		(254 as at 31 st of December, 2020)				

3.15.2. Current Credit Lines

The companies of the Comarch Group have the following credit limits in current account:

Debtor	Financial Institution	Total amount of credit/loan according to the agreement		Amount to be paid as at the balance sheet date				Interest conditions	Repayment date	Securities
		Value	Currency	Value	Currency	Value	Currency			
Comarch S.A.	BNP Paribas Bank Polska S.A.	20,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	17 th of December, 2021	a blank promissory note
Financing operating activities										
Comarch S.A.	Bank Polska Kasa Opieki S.A.	30,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	30 th of June, 2021	declaration of submission to enforcement
Financing operating activities										
Comarch S.A.	CaixaBank S.A. Oddział w Polsce (branch in Poland)	30,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	30 th of June, 2021	declaration of submission to enforcement
Financing operating activities										

	30 June 2021	31 December 2020
Credit lines in the current account and revolving credits, including:	80,000	80,923
Used at the balance sheet date	-	413
Available at the balance sheet date	80,000	80,510

3.16. Liabilities due to Lease

	30 June 2021	31 December 2020
Leasing of means of transport and IT equipment	1,580	1,962
Rent	60,314	64,535
Perpetual usufruct	27,298	27,790
Current portion	19,700	19,142
Non-current portion	69,492	75,145
Total	89,192	94,287

Ageing of liabilities due to lease

	12 months or less	1-5 years	over 5 years	Total
Lease of means of transport and IT hardware	902	678	-	1,580
Rent	18,814	34,658	6,842	60,314
Perpetual usufruct	-16	310	27,004	27,298
Liabilities due to lease	19,700	35,646	33,846	89,192

3.17. Other Financial Liabilities

	30 June 2021	31 December 2020
Liabilities due to dividends	24,455	-
Current portion	24,455	-
Non-current portion	-	-
Liabilities due to bills of exchange	5,369	5,249
Current portion	5,369	5,249
Non-current portion	-	-
Total	29,824	5,249

Liabilities due to dividends relate to dividends from Comarch S.A. due to be paid outside the Group in the amount of PLN 24,400 thousand and dividends from Bonus Development Konzept Sp. z o.o. SK-A in the amount of PLN 55 thousand.

As at 30th of June, 2021, other financial liabilities relate to bills of exchange at Bonus Management Sp. z o.o. SK-A, with maturity on the fourth quarter of 2021 and bills of exchange at Bonus Management Sp. z o.o. II ACTIVIA SKA, with maturity on the first quarter of 2022.

3.18. Provisions for other liabilities and charges

	Costs related to current period that will be incurred in future	Provisions for costs of contracts	Provisions for contractual penalties and other claims	Provisions for leaves	Provisions for premiums	Provisions for retirement benefits and similar	Total
At 1 January 2020	4,718	14,075	25,893	33,097	102,625	-	180,408
Change:	(1,379)	(530)	(13,585)	10,445	20,262	1,803	17,016
- Provisions created	14,662	16,982	2,620	32,159	113,023	1,803	181,249
- Provisions used and dissolved	(16,041)	(17,512)	(16,205)	(21,714)	(92,761)	-	(164,233)
At 31 December 2020	3,339	13,545	12,308	43,542	122,887	1,803	197,424
Current	3,339	13,545	12,308	43,542	122,887	-	195,621
Non-current	-	-	-	-	-	1,803	1,803
At 1 January 2021	3,339	13,545	12,308	43,542	122,887	1,803	197,424
Change:	1,993	(2,155)	547	15,434	(47,205)	477	(30,909)
- Provisions created	6,222	7,271	2,119	22,434	31,135	552	69,733
- Provisions used and dissolved	(4,229)	(9,426)	(1,572)	(7,000)	(78,340)	(75)	(100,642)
At 30 June 2021	5,332	11,390	12,855	58,976	75,682	2,280	166,515
Current	5,332	11,390	12,855	58,976	75,682	-	164,235
Non-current	-	-	-	-	-	2,280	2,280

All provisions were calculated based on credible estimate as of the balance sheet date.

3.19. Trade and Other Payables

	30 June 2021	31 December 2020
Trade payables	41,733	51,094
Advance payments received due to services and supplies	5,115	4,447
Trade payables and other liabilities to related parties	350	350
Liabilities due to social insurance and other tax charges	70,399	77,266
Investments liabilities	4,805	1,878
Revenue from the future periods	60,626	39,934
Other payables	4,876	7,298
Special funds (Social Services Fund and Residential Fund)	3,163	1,327
Liabilities due to remuneration	40,574	32,534
Total	231,641	216,128

The fair value of trade and other payables is close to the balance sheet value presented above.

3.20. Contingent Liabilities

On the 30th of June, 2021, the value of bank guarantees and letters of credit issued by banks on order from Comarch S.A. in reference to executed agreements and participation in tender proceedings was PLN 89,560 thousand, whereas it was PLN 91,066 thousand on the 31st of December, 2020.

On the 30th of June, 2021, the value of bank guarantees issued by banks on order from Comarch Software und Beratung was EUR 422 thousand (i.e. PLN 1,910 thousand), whereas it was EUR 422 thousand (i.e. PLN 1,949 thousand) on the 31st of December, 2020.

On the 30th of June, 2021, the value of bank guarantees issued by banks on order from Comarch AG was EUR 16 thousand (i.e. PLN 73 thousand), whereas it was EUR 16 thousand (i.e. PLN 74 thousand) on the 31st of December, 2020

Comarch S.A. declared a possibility to grant a financial support ("letters of comfort") for its subsidiaries: Comarch R&D S.à r.l. (valid for an indefinite period), Comarch Argentina S.A. (valid for an indefinite period), Comarch Malaysia SDN. BHD. (valid for an indefinite period), Comarch Healthcare S.A. (valid for an indefinite period), Comarch Middle East FZ-LLC (valid for an indefinite period), Comarch Japan KK (valid for an indefinite period) and Comarch SAS (valid for an indefinite period).

	30 June 2021	31 December 2020
Granted credit lines for financing of current activities (guarantees, letters of credit, credit lines in current account)		
Credit lines *	186,401	245,504
Total	186,401	245,504

*) they comprise credit lines at current account that are described in point 3.15.2

The Comarch Group is the defendant in legal proceedings, in which the potential total amount of third-party claims is PLN 29,529 thousand. Provisions for part of these claims were presented in the balance sheet as at the 30th of June, 2021, and are worth PLN 1,726 thousand. During the first half of 2021, the Comarch Group created provisions for claims covered by legal proceedings in the amount of PLN 15 thousand and resolved provisions in this respect for the amount of PLN 122 thousand.

The Comarch Group is the party to the matters in disputes, but not legal proceedings in which the potential total amount of third-party claims is PLN 20,141 thousand. Provisions for part of these claims presented in the balance sheet as at the 30th of June, 2021, and are worth PLN 2,855 thousand. During the first half of 2021, the Comarch Group created provisions for matters in disputes, but not legal proceedings in the amount of PLN 245 thousand and resolved provisions in this respect for the amount of PLN 656 thousand.

According to the Management Boards of the Comarch Group companies, based on the opinions of legal advisors, there are no circumstances indicating the need to create provisions for other claims currently subject to court proceedings and disputes, not covered by court proceedings.

Due to the matters in disputes, during the first half of 2021, the Comarch Group created write-offs that revalue receivables in the amount of PLN 181 thousand.

Due to the matters in disputes, but not legal proceedings during the half quarter of 2021, the Comarch Group created write-offs that revalue receivables in the amount of PLN 201 thousand.

3.21. Information about Liability in Relation to Purchase of Property, Plant and Equipment

None present.

3.22. Managerial Option Program for Members of the Management Board and Other Key Employees

None present.

3.23. Related-Party Transactions

3.23.1. Revenue from Sales of Goods and Services

	6 months ended 30 June 2021	6 months ended 30 June 2020
Revenue from sales of goods	-	-
SolInteractive S.A.	-	-
Revenue from sales of services	7	10
SolInteractive S.A.	7	10
Total	7	10

Price for services is determined depending on the type of transaction, according to one of three methods:

- 1) comparable market price,
- 2) cost - plus basis (margin from 2% to 3% for goods, 5% for services),
- 3) margin on sales of services (from 10% to 40%).

3.23.2. Purchases of Goods and Services

	6 months ended 30 June 2021	6 months ended 30 June 2020
Purchases of goods	-	-
SolInteractive S.A.	-	-
Purchases of services	-	-
SolInteractive S.A.	-	-
Included in generation costs	-	-
Included in other costs	-	-
Total	-	-

3.23.3. Balance of Settlements as of the Balance Sheet Date Resulting from the Sales/Purchase of Goods /Services

	30 June 2021	31 December 2020
Receivables from related parties	1	2
SolInteractive S.A.	1	2
Payables from related parties	-	-
SolInteractive S.A.	-	-

3.23.4. Transactions with Associates and Personally Related Entities

	6 months ended 30 June 2021	6 months ended 30 June 2020
Purchases from personally related entities	1,813	1,785
Sales to personally related entities	904	814
Loans and interest on loans repaid by personally related entities	-	6,686
Loans and interest on loans granted to personally related entities	-	-
Purchases from associates	-	-
Sales to associates	7	10
Loans and interest on loans repaid by associates	-	577
Loans and interest on loans granted to associates	-	-
Purchases from personally related entities	-	1,000*

*) The item contains a payment of PLN 1,000 thousand from the person supervising Comarch S.A. to the company Bonus Management Sp. z o.o. II Activia SK-A in exchange for issued bills of exchange.

3.23.5. Balances of Settlements with Personally Related Entities at Balance Sheet Date

	30 June 2021	31 December 2020
Trade receivables from personally related parties	730	430
Loans receivables from personally related parties	4,750	4,677
Trade payables to personally related parties	519	353
Liabilities due to promissory note obligations from personally related parties	5,369*	5,249*

*) This item contains the liability of Bonus Management Sp. z o.o. SK-A and Bonus Management sp. z o.o. II Activia SK-A to a supervising person of Comarch S.A.

3.24. Earnings per Share

	6 months ended 30 June 2021	6 months ended 30 June 2020
Net profit for the period attributable to equity holders of the Company	54,583	34,519
Weighted average number of shares in issue	8,133,349	8,133,349
Basic earnings per share (PLN)	6.71	4.24
Diluted number of shares	8,133,349	8,133,349
Diluted earnings per share (PLN)	6.71	4.24

Basic earnings per share in the column "6 months ended 30 June 2021" is calculated by dividing the net consolidated profit attributable to shareholders of Comarch S.A. for the period from the 1st of January, 2021, to the 30th of June, 2021, by the weighted average number of shares in issue between the 1st of January, 2021, to the 30th of June, 2021, where the number of days is the weight. Basic earnings per share in the column "6 months ended 30 June 2020" is calculated by dividing the net consolidated profit attributable to shareholders of Comarch S.A. for the period from the 1st of January, 2020, to the 30th of June, 2020, by the weighted average number of shares in issue between the 1st of January, 2020, to the 30th of June, 2020, where the number of days is the weight.

Diluted earnings per share in the column "6 months ended 30 June 2021" is calculated by dividing the net consolidated profit attributable to shareholders of Comarch S.A. for the period from the 1st of January, 2021, to the 30th of June, 2021, by the sum of the weighted average number of shares in issue between the 1st of January, 2021, to the 30th of June, 2021, where the number of days is the weight and diluted number of shares. Diluted earnings per share in the column "3 months ended 30 June 2021" is calculated by dividing the net consolidated profit attributable to shareholders of Comarch S.A. for the period from the 1st of January, 2020, to the 30th of June, 2020, by the sum of the weighted average number of shares in issue between the 1st of January, 2020, to the 30th of June, 2020, where the number of days is the weight.

4. Additional notes

4.1. Factors and Events of Unusual Nature with Significant Effects on the Achieved Financial Results

4.1.1. Deferred Income Tax Assets and Provisions

During the first half of 2021, the Comarch Group settled in part a deferred tax asset related to temporary differences that was established on the 31st of December, 2020, and worth PLN 4,756 thousand, and created an asset due to temporary differences in the amount of PLN 3,032 thousand, as well as created an asset due to tax loss in the amount of PLN 588 thousand and released an asset of the same title in the amount of PLN 495 thousand. The total effect of the above-mentioned operations on the net result of the reporting period was minus PLN 1,631 thousand. During the first half of 2021, the Comarch Group settled an asset created for the zone operations in the amount of PLN 1,149 thousand which were created as at 31st of December, 2020. The total impact of changes in the first half of 2021 results is minus PLN 2,780 thousand.

Due to valuation of net assets of CCF FIZ during the first half of 2021, a deferred tax provision was increased by PLN 1,539 thousand. At the same time, a deferred tax provision due to temporary differences was recognized

in the amount of PLN 2,296 thousand and dissolved in the amount of PLN 1,618 thousand. The total effect of the above-mentioned operations on the net result of the first quarter of 2021 was minus PLN 2,217 thousand.

Total changes in the deferred income tax resulted in a decrease in result of PLN 4,997 thousand.

Details are described in point 3.10.

4.1.2. Valuation of Currency Exchange Rate Differences and Financial Instruments Based on Exchange Rates

Realized foreign exchange rate differences and balance sheet valuation of exchange rates on receivables and liabilities as at the 30th of June, 2021 decreased revenue and operating profit of Comarch Group in the first half of 2021 by PLN 4,252 thousand (while in the corresponding period of 2020 increased by PLN 11,343 thousand). Realized exchange rate differences and differences from the balance sheet valuation of trade liabilities in the first half of 2021 increased the operating result by PLN 2,979 thousand (while in the corresponding period of 2020 decreased by PLN 16,234 thousand). Exchange rate differences from other activities increased the result of Comarch Group by PLN 4,102 thousand (while in the corresponding period of 2020 decreased by PLN 1,986 thousand). The valuation of financial instruments and closed transactions (mostly forward contracts) and provision for deferred income tax in reference to the valuation of the financial instruments increased the result of Comarch Group by PLN 7,919 thousand (while in the corresponding period of 2020 decreased by PLN 6,954 thousand).

The total effect of exchange rate differences and valuation of derivative financial instruments on the net result of the Comarch Group in the half quarter of 2021 amounted to PLN 10,748 thousand (minus PLN 13,831 thousand in the first half of 2020).

4.1.3. Creation of Write-Offs for Bad Debts

During 6 months of 2021, the Comarch Group created impairment losses on trade receivables in the amount of PLN 10,872 thousand and dissolved previously created write-offs in the amount of PLN 8,446 thousand in connection with the payment of receivables. These operations were recognized in other operating costs and revenue in the profit and loss account, respectively.

4.2. Events after the Balance Sheet Date Not Included in the Report

4.2.1. Forward Contracts Concluded after the Balance Sheet Date

Between the 1st of July, 2021, and the 31st of August, 2021, the Comarch Group has concluded new forward contracts for the sales of currency in the amount of EUR 1,000 thousand and USD 1,000 thousand. The total net value of open forward contracts as of the 31st of August, 2021, amounted to EUR 62,400 thousand, USD 16,100 thousand, JPY 80,000 thousand, GBP 1,200 thousand and NZD 2,300 thousand. The contracts will be settled within 38 months from the balance sheet date. All forward contracts have been concluded in order to limit the influence of currency exchange rates on the financial results related to the contracts carried out by companies in Comarch Group, in which the remuneration or cost is set in a foreign currency.

4.2.2. Signing the Agreement on Delivery and Maintenance of IT Systems for 450connect

On the 19th of July, 2021 the Management Board of Comarch S.A. informed about signing by Comarch AG, a wholly owned subsidiary of Comarch S.A., a framework agreement with 450connect GmbH. The subject matter of this framework agreement is delivery and maintenance of software, on the terms specified in the agreement.

Presupposing, that the contract runs for the entire term of 20 years without being terminated by either party, Comarch AG will receive a remuneration of approximately EUR 42,300,000.00 i.e. PLN 194,059,710.00 over the term. Commercial conditions of the agreement and Comarch AG liability for the compensation of damages are in line with market standards used in similar agreements.

Company informed about the details in current report no. [RB-11-2021](#) (ENG: [RB-11-2021](#)) dated the 19th of July, 2021.

4.2.3. Statement on the Company's Compliance with the Corporate Governance Principles Contained in Best Practice for GPW Listed Companies 2021

On the 30th of July, 2021, the Management Board of Comarch S.A. informed in the current report [EBI-3-2021](#) (ENG: [EBI-3-2021](#)) that the full text of the Statement on the Company's Compliance with the Corporate Governance Principles Contained in Best Practice for GPW Listed Companies 2021 is available on the Company's [website](#) (ENG: [website](#)).

4.2.4. Non-Renewable Credit Agreement with CaixaBank, S.A. Oddział w Polsce (Branch in Poland)

The Management Board of Comarch S.A. informed about signing non-renewable credit agreement on the 5th of August, 2021 with CaixaBank, S.A. Branch in Poland with its office in Warsaw (hereinafter referred to as the "Bank") for general corporate purposes. The credit amount is EUR 14,500,000.00, i.e. PLN 66,054,750 at the EUR exchange rate on the date of the contract signing. The credit period lasts until the 5th of August, 2026, and the interest rate is based on a variable rate. The credit should be used by the 5th of August, 2022. The credit is secured with:

- a) power of attorney granted to the Bank by Comarch S.A. to administer funds on settlement accounts maintained by the Bank;
- b) Comarch S.A. statement on submission to enforcement up to 150% of the credit amount.

Company informed about the details in current report no. [RB-12-2021](#) (ENG: [RB-12-2021](#)) dated the 5th of August, 2021.

4.3. Other Information Significant for the Assessment of Means and Employees, Financial Rating, Financial Results and Their Changes and Information Significant for the Assessment of the Possibility of the Execution of Obligations by the Issuer

4.3.1. Impact of SARS-CoV-2 Coronavirus and COVID-19 Incidents on the Company's Operations and Financial Results

In reference to the recommendations of the European Securities and Markets Authority and the Polish Financial Supervision Authority of the 12th of March, 2020, the Management Board of Comarch S.A. in the current report no. [RB-5-2020](#) (ENG: [RB-5-2020](#)) dated on the 19th of March, 2020, provided information on the possible impact of the SARS-CoV-2 coronavirus spread and COVID-19 incidence on the Company's operations and financial results.

The Management Board of Comarch S.A. monitors on an ongoing basis the development of the situation related to the continuing effects of the spread of SARS-CoV-2 coronavirus and COVID-19 incidence and their impact on the Company's operations. The Management Board of the Company hereby informs that as at the date of publication of this report the Company's operations were conducted without any interruptions. The Comarch

S.A. implemented all guidelines recommended by the Chief Sanitary Inspectorate and other state institutions in the countries of the Company's operational activity, with particular regard to employee's safety, health and hygiene recommendations. Business trips to countries identified by the Chief Sanitary Inspectorate as high-risk countries were suspended or limited, direct contacts of employees within the organization were limited, and the remote work mode of office workers was launched on a large scale, and all hygiene recommendations are applied in Comarch offices. Comarch S.A. carried out a vaccination campaign against COVID-19 for employees at the company's headquarters in Krakow and in larger branches in Poland.

Regardless of the current intensity of the epidemic, remote communication methods are commonly used in business contacts. The Management Board of the Company notes that the activities of the Comarch S.A. are very well diversified in terms of industry, products and geography, and the effects of the pandemic did not pose a threat to the financial stability of the company or introduced significant disruptions in the implementation of

During the epidemic period, there was no decrease in revenue from sales of services and products offered by the Company. The Comarch Group's operational activity and the financial results achieved in subsequent periods will be influenced by factors such as the duration and scope of the epidemic, the number of people falling ill with COVID-19, further administrative restrictions on the functioning of states and businesses, restrictions on the movement of employees, the possibility of taking advantage of aid packages launched by individual countries, as well as the pace of implementation of the immunization programme.

31st of August, 2021

SIGNATURES OF MANAGEMENT BOARD MEMBERS

Name and Surname	Position	Signature
Janusz Filipiak	President of the Management Board	
Paweł Prokop	Vice-president of the Management Board	
Andrzej Przewięźlikowski	Vice-president of the Management Board	
Zbigniew Rymarczyk	Vice-president of the Management Board	
Konrad Tarański	Vice-president of the Management Board	
Marcin Warwas	Vice-president of the Management Board	

SIGNATURE OF PERSON CHARGED WITH CARRYING ON ACCOUNT BOOKS

Name and Surname	Position	Signature
Maria Smolińska	Head Accountant	

Comarch S.A.

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REPORT OF AN INDEPENDENT EXPERT AUDITOR OF THE REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENT FOR THE SHAREHOLDERS AND THE SUPERVISORY BOARD OF COMARCH S.A.

Introduction

We have audited the attached condensed interim financial statement of Comarch S.A. ("Company") with its registered office at Krakow, al. Jana Pawła II 39a, which consists of: balance sheet as of the 30th of June 2021, profit and loss account for the period from the 1st of January to the 30th of June, 2021, changes in equity for the period from the 1st of January to 30th of June, 2021, cash flow for the period from the 1st of January to the 30th of June, 2021 and additional information and commentaries ("condensed interim financial statement").

The Company's management board is responsible for preparing and presenting the condensed interim financial statement in accordance with the Act on Accounting of the 29th of September, 1994 (Journal of Laws from 2021, pos. 217) hereinafter referred to as the "Accounting Act", secondary legislation issued on its basis and provisions of the Regulation of the Minister of Finance of the 29th of March, 2018 regarding current and periodical information published by issuers of securities and conditions for recognizing as equivalent information required by the laws of a non-member state (Journal of Laws from 2018, pos. 757 with subsequent changes).

We are responsible for formulating the conclusion regarding the condensed interim financial statements based on our review.

Scope of the Review

The review was conducted in accordance with the 2410 National Standards for Review Services in the wording of the 2410 International Standards for Review Services, *Review of Interim Financial Information Conducted by the Entity's Independent Auditor* adopted by a resolution of the National Council of Expert Auditors.

The review of financial statement consists in directing inquiries primarily to those responsible for financial and accounting matters, conducting analytical procedures and other review procedures.

A review has a significantly narrower scope than an audit conducted in accordance with the National Standards for Audit in the wording of the International Standards for Audit. As a result, the review is not sufficient to ensure that all relevant issues that would have been identified during the audit were disclosed. Therefore, we do not express our opinion on the audit of this condensed interim financial statement.

Conclusion

Based on the conducted review, we find that nothing has returned our attention, which would lead us to believe that the attached condensed interim consolidated financial statement has not been prepared in all important aspects in accordance with the Act on Accounting (Journal of Laws from 2021, pos. 217), secondary legislation issued on its basis and provisions of the Regulation of the Minister of Finance of the 29th of March, 2018 regarding current and periodical information published by issuers of securities and conditions for recognizing as equivalent information required by the laws of a non-member state (Journal of Laws from 2018, pos. 757 with subsequent changes).

BDO spółka z ograniczoną odpowiedzialnością sp. k. with its registered office at Warszawa

Entity entered on the list of audit firms under reference number **3355**

on behalf of which the auditor reviewed the financial statements

Marcin Krupa
Expert Auditor
Reference number 11142

dr André Helin
President of the Management Board
Expert Auditor, reference number 90004

Krakow, 31st of August, 2021

COMARCH



Condensed Comarch S.A. Financial Statement for the period from 1st of January, 2021 to 30th of June, 2021

Kraków, 31st of August, 2021

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60+ countries on **6** continents
- we carry out projects all over the world



PLN 479 million
of sales revenue



PLN 54 million
of net profit



60
subsidiaries worldwide



11.2%
Of net margin



4,800+
professionals employed

Comarch S.A. Condensed Financial Statement for 6 Months 2021

I. Balance Sheet

AKTYWA	30 June 2021	31 December 2020	30 June 2020
I. NON-CURRENT ASSETS	764,220	746,673	752,792
1. Intangible assets	19,587	7,332	8,612
2. Property, plant and equipment	325,475	330,914	323,034
3. Non-current investments	413,544	401,539	414,050
3.1. Non-current financial assets	394,455	381,947	393,935
a) in related parties	392,150	381,350	392,536
b) in other entities in which the Company holds equity interests	-	-	-
c) in other entities	2,305	597	1,399
3.2 Real estates	19,046	19,549	20,072
3.3 Other non-current investment	43	43	43
4. Non-current prepayments	5,614	6,888	7,096
4.1 Deferred income tax assets	4,840	5,755	5,529
4.2 Other accruals	774	1,133	1,567
II. CURRENT ASSETS	704,845	701,304	691,673
1. Inventories	70,599	54,546	71,326
2. Current receivables	329,314	437,982	375,198
2.1 from related parties	216,073	292,387	240,830
2.2 from other entities in which the Company holds equity interests	-	-	-
2.3 from other entities	113,241	145,595	134,368
3. Current investments	192,993	115,876	104,564
3.1 Current financial assets	192,993	115,876	104,564
a) in related parties	831	680	655
b) in other entities in which the Company holds equity interests	-	-	-
c) in other entities	103,149	22,120,	1,225
- interest and shares	-	-	-
- other securities	100,140	20,001	-
- other current financial assets	3,009	2,119	1,225
d) cash and cash equivalents	89,013	93,076	102,684
4. Short-term prepayments	111,939	92,900	140,585
TOTAL ASSETS	1,469,065	1,447,977	1,444,465

EQUITY AND LIABILITIES	30 June 2021	31 December 2020	30 June 2020
I. EQUITY	985,436	949,438	929,406
1. Share capital	8,133	8,133	8,133
2. Supplementary capital	818,985	763,377	763,377
3. Revaluation reserve	103,737	97,175	101,854
4. Other reserve capitals	745	745	745
5. Previous years' profit (loss)	-	-	-
6. Net profit (loss)	53,836	80,008	55,297
II. LIABILITIES AND PROVISIONS FOR LIABILITIES	483,629	498,539	515,059
1. Provisions for liabilities	149,338	179,422	158,909
1.1 Provision for deferred income tax	25,862	23,661	24,793
1.2 Other provisions	123,476	155,761	134,116
a) current	121,701	154,363	134,116
b) non-current	1,775	1,398	-
2. Non-current liabilities	99,964	96,103	103,716
2.1 to related parties	6,534	10,897	10,639
2.2 to other entities in which the Company holds equity interests	-	-	-
2.3 to other entities	93,430	85,206	93,077
3. Current liabilities	173,838	165,331	168,365
3.1 to related parties	16,108	33,403	35,388
3.2 to other entities in which the Company holds equity interests	350	350	350
3.3 to other entities	154,441	130,408	130,129
3.4 Special funds	2,939	1,170	2,498
4. Accruals	60,489	57,683	84,069
4.1 Other accruals	60,489	57,683	84,069
a) current	60,489	57,683	84,069
TOTAL EQUITY AND LIABILITIES	1,469,065	1,447,977	1,444,465
Book value	985,436	949,438	929,406
Number of shares	8,133,349	8,133,349	8,133,349
Book value per single share (PLN)	121.16	116.73	114.27
Diluted number of shares	8,133,349	8,133,349	8,133,349
Diluted book value per single share (PLN)	121.16	116.73	114.27

II. Income Statement

For the 6 months ended 30 June 2021 and the 6 months ended 30 June 2020	Q2 2021	6 months ended 30 June 2021	Q2 2020	6 months ended 30 June 2020
I. Net revenue from sales of products, goods and materials	221,931	478,727	211,011	449,037
revenue from related parties	78,179	165,677	77,361	152,861
1. Net revenue from sales of products	215,220	457,956	195,678	420,462
2. Net revenue from sales of goods and materials	6,711	20,771	15,333	28,575
II. Costs of products, goods and materials sold to related parties	174,178	369,182	175,042	359,070
1. Manufacturing cost of products sold	8,181	16,042	8,882	15,673
2. Value of products, goods and materials sold	168,516	350,422	161,075	333,450
III. Gross profit (loss) on sales	47,753	109,545	35,969	89,967
IV. Costs of sales	14,152	28,747	16,389	29,998
V. Administrative expenses	14,576	31,262	15,826	30,150
VI. Profit (loss) on sales	19,025	49,536	3,754	29,819
VII. Other operating revenue	806	1,591	277	5,792
1. Profit on disposal of non-financial non-current assets	147	315	97	198
2. Other operating revenues	659	1,276	180	5,594
VIII. Other operating costs	17,572	20,558	7,765	11,001
1. Loss on disposal of non-financial non-current assets	-	-	-	-
2. Cost of works financed in part with subsidies	131	305	437	867
3. Revaluation of non-financial assets	-	-	-	-
4. Other operating costs	17,441	20,253	7,328	10,134
IX. Profit (loss) on operating activities	2,259	30,569	(3,734)	24,610
X. Financial revenue	35,580	42,043	35,869	48,069
1. Interest	240	479	362	823
from related parties	234	447	310	635
2. Dividends and share in profits	32,368	32,368	41,011	41,011
from related parties	32,368	32,368	41,011	41,011
3. Profit (loss) on disposal of investment	391	391	(199)	-
4. Revaluation of financial assets	-	-	-	-
5. Other	2,581	8,805	(5,305)	6,235
XI. Finance costs	6,111	12,185	(7,298)	10,476
1. Interest	495	999	703	1,354
from related parties	42	98	138	282
2. Loss from the sales of investments	(114)	-	188	188
3. Revaluation of investments	9,092	9,092	92	92
4. Other	(3,362)	2,094	(8,281)	8,842
XII. Profit (loss) on business activities	31,728	60,427	39,433	62,203
XIII. Gross profit (loss)	31,728	60,427	39,433	62,203
XIV. Income tax	2,379	6,591	5,151	6,906
XV. Net profit (loss)	29,349	53,836	34,282	55,297

Net profit (loss) (annualised)	78,547	68,444
Weighted average number of shares 01.07.2020 – 30.06.2021	8,133,349	8,133,349
Earnings (losses) per single share (PLN)	9.66	8.42
Diluted weighted average number of shares 01.07.2020 – 30.06.2021	8,133,349	8,133,349
Diluted earnings (losses) per single share (PLN)	9.66	8.42

*) Data for the second quarter of 2021 (2020) were calculated by subtraction of the data presented by the Group in the report for the first quarter of 2021 or (2020) from the data (reviewed) for the first half of 2021 (2020).

III. Changes in Equity

	6 months ended 30 June 2021	12 months ended 31 December 2020	6 months ended 30 June 2020
I. OPENING BALANCE OF EQUITY	949,438	881,540	881,540
a) changes to adopted accounting principles (policies)	-	-	-
I. a. Opening balance of equity after adjustments	949,438	881,540	881,540
1. Opening balance of share capital	8,133	8,133	8,133
1.1 Changes in share capital	-	-	-
a) increases (due to)	-	-	-
- shares issue	-	-	-
1.2 Closing balance of share capital	8,133	8,133	8,133
2. Opening balance of supplementary capital	763,377	717,950	717,950
2.1 Changes in supplementary capital	55,608	45,427	45,427
a) increases (due to)	55,608	45,427	45,427
- profit-sharing for the previous years	55,608	45,427	45,427
2.2 Closing balance of supplementary capital	818,985	763,377	763,377
3. Opening balance of revaluation reserve	97,175	97,085	97,085
3.1 Changes in revaluation reserve	6,562	90	4,769
a) increases (due to)	8,101	110	5,888
- provision for deferred income tax due to certificates valuation	-	-	-
- balance sheet valuation of investment certificates	8,101	110	5,888
b) decreases (due to)	1,539	20	1,119
- balance sheet valuation of investment certificates	-	-	-
- provision for deferred income tax due to certificates valuation	1,539	20	1,119
3.2 Closing balance of revaluation reserve	103,737	97,175	101,854
4. Opening balance of capital from merger	-	-	-
4.1 Closing balance of capital from merger	-	-	-
5. Opening balance of other reserve capitals	745	745	745
5.1 Closing balance of other reserve capitals	745	745	745
6. Opening balance of previous years' profit	80,008	57,627	57,627

a) changes to adopted accounting principles (policies)	-	-	-
6.1 Opening balance of previous years' profit after adjustments	80,008	57,627	57,627
a) decreases (due to)	80,008	57,627	57,627
- transferring the result from the previous years to supplementary capital	55,608	45,427	45,427
- payment of dividend	24,400	12,200	12,200
6.2 Closing balance of previous years' profit	-	-	-
7. Result for Q1 (opening balance)	-	-	-
7.1 Net result for the period	53,836	80,008	55,297
7.2. Net result	53,836	80,008	55,297
II. CLOSING BALANCE OF EQUITY	985,436	949,438	929,406
III. EQUITY INCLUDING PROPOSED PROFIT-SHARING (LOSS COVERAGE)	985,436	949,438	929,406

IV. Cash Flow Statement

For period 01.01 – 30.06.2021 and 01.01 – 30.06.2020	6 months ended 30 June 2021	6 months ended 30 June 2020
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A. CASH FLOWS FROM OPERATING ACTIVITIES

I. Net profit (loss)	53,836	55,297
II. Total adjustments	27,611	(2,958)
1. Depreciation	22,271	21,863
2. Exchange gains (losses)	131	204
3. Interest and profit sharing (dividends)	(27,720)	(40,557)
4. (Profit) loss on investing activities	8,497	(891)
5. Change in provisions	(31,623)	(2,941)
6. Change in inventories	(16,053)	(8,575)
7. Change in receivables	113,707	24,912
8. Change in current liabilities, excluding credits and loans	(26,640)	826
9. Change in prepayments and accruals	(14,959)	2,201
10. Change in deferred income	-	-
11. Other adjustments	-	-
III. Net cash used in operating activities (I+/-II) – indirect method	81,447	52,339

B. CASH FLOWS FROM INVESTING ACTIVITIES

I. Inflows	69,964	45,580
1. Disposal of property, plant and equipment and intangible assets	742	482
2. From financial assets, including:	69,222	45,098
a) in related parties	28,903	45,098
- repaid loans	450	3,292
- repaid interest on loans	-	795
- received loans	-	-

- received interest	-	-
- received dividends	28,453	41,011
b) in other entities	40,319	-
- interest	-	-
- dividends and share in profits	-	-
- other proceeds from financial assets	40,319	-
3. Other investment proceeds	-	-
II. Outflows	(166,842)	(37,297)
1. Purchase of property, plant and equipment and intangible assets	(26,652)	(10,022)
2. Expenses for investment in real estates	(14)	(146)
3. For financial assets, including:	(140,176)	(27,129)
a) in related parties	(20,176)	(17,375)
- purchase of financial assets	(8,725)	(9,145)
- granted non-current loans	(11,451)	(8,230)
- repayment of loans from related parties	-	-
- repayment of interest on loans	-	-
b) in other entities	(120,000)	(9,754)
4. Other investment expenses	-	-
III. Net cash used in investing activities (I-II)	(96,878)	8,283

C. CASH FLOWS FROM FINANCING ACTIVITIES

I. Inflows	33,457	2,762
1. Credits and loans	33,320	1,825
2. Proceeds from issuance of the shares and other instruments, as well as additional payment to capital	-	-
3. Loans repaid	-	-
4. Interest received on loan repayments	-	-
5. Other financial proceeds (received subsidies)	137	937
II. Outflows	(21,958)	(27,499)
1. Purchase of own shares (shares) + additional capital contributions	-	-
2. Dividends and other payments to owners	-	-
3. Repayment of loans and credits	(21,017)	(26,250)
4. Interests	(941)	(1,249)
5. Granted loans	-	-
6. Other financial expenses	-	-
III. Net cash (used in)/generated from financing activities (I-II)	11,499	(24,737)
D. NET CASH FLOW, TOTAL (A.III+/-B.III+/-C.III)	(3,932)	35,885
E. BALANCE SHEET CHANGE IN CASH AND CASH EQUIVALENTS	(4,063)	35,683
change in cash and cash equivalents due to exchange differences	(131)	(202)
F. CASH AND CASH EQUIVALENTS OPENING BALANCE	93,076	67,001

G. CLOSING BALANCE OF CASH AND CASH EQUIVALENTS (F+/-E)	89,013	102,684
limited disposal	1,619	1,961

V. Additional Information and commentary

1. Adopted accounting policies

This financial statement was prepared according to the Act passed on the 29th of September, 1994, on Accounting (unified text - Journal of Laws 2021, pos. 217) and the requirements specified in the Regulation issued by the Minister of Finance on the 29th of March, 2018, concerning current and periodical information pertaining to companies listed on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state (unified text - Journal of Laws, 2018, No. 757). A complete description of the adopted accounting principles was presented in the last annual financial statement, i.e. for the period from the 1st of January, 2020, until the 31st of December, 2020. If this financial statement for the 6 months ended the 30th of June, 2021, was prepared according to IFRS, the financial results would amount to PLN 56,706 thousand.

Profit according to the Act on Accounting	53,836
Depreciation of perpetual usufruct	(47)
Asset due to activity in the SEZ	(1,149)
Correction of revenue from the title of IFRS 15	(1,767)
Correction of revenue from the title of IFRS 16	5,883
Correction of revenue from the title of IFRS 9	(50)
Profit according to IFRS	56,706

2. Information about Significant Changes in Estimated Values, Including Information about Corrections due to Provisions, Provision and Deferred Income Tax Assets Mentioned in the Act on Accounting and about Write-offs that Revaluated Asset Items

As at 30th of June, 2021 Comarch S.A. has not created write-offs that revaluated goods, materials and finished products. The company resolved write-offs revaluated goods and materials which had been created in the previous years in the amount of PLN 473 thousand.

No hedges were made on inventories owned by the Company.

As at the 30st of June, 2021, due to payments of receivables, Comarch S.A. resolved revaluating write-offs, were worth PLN 2,481 thousand and created write-offs worth PLN 20,922 thousand that revaluated bad debts. Due to the fact that the Company is taxed according to general principles and enjoys tax-exempt status, temporary differences in the tax yield may be realised within both of these activities. At the same time, the final determination within which of these activities (taxed or tax-exempt) the temporary differences will be realised is established on the basis of the annual settlement of income tax, after the end of the fiscal year. In the first half of 2021, an asset due to temporary differences in income tax worth PLN 1,193 thousand was created and was resolved in the amount of PLN 2,108 thousand, a provision for deferred tax due to temporary differences was created in the amount of PLN 684 thousand and was resolved in the amount of PLN 22 thousand. The total effect of these operations on the result as at the 30th of June, 2021 amounted to minus PLN 1,577 thousand.



A provision for deferred income tax related to valuation of investment certificates in CCF FIZ was increased by PLN 1, 539 thousand. This provision as well as certificates valuation are settled with revaluation reserve.

As at the 30th of June, 2021, Comarch S.A. created write-offs due the loss of value of shares in subsidiaries in the amount of PLN 9,092 thousand.

3. Selected Notes to the Summary Financial Statement

3.1. Non-current Financial Assets

	30 June 2021	31 December 2020	30 June 2020
a) in subsidiaries and correlated parties	392,150	381,350	392,536
- interest or shares	231,515	231,842	223,158
- loans granted	31,003	27,979	42,070
- other securities	129,632	121,529	127,308
- other non-current financial assets, including:	-	-	-
• interest on granted loans	-	-	-
b) in other entities in which the Company holds equity interests	-	-	-
- interest or shares	-	-	-
- loans granted	-	-	-
c) in other entities	2,305	597	1,399
- other non-current financial assets (types)	2,305	597	1,399
• forwards and IRS	2,305	597	1,399
Total Non-current financial assets	394,455	381,947	393,935

3.2. Changes in Non-current Financial Assets (Types)

	6 months ended 30 June 2021	6 months ended 30 June 2020
a) Opening balance	381,947	364,443
- interests or shares	231,842	203,490
- loans granted	27,979	36,794
- other securities	121,529	121,420
- other non-current assets (forward contracts)	597	2,739
- others	-	-
b) increases (due to)	30,113	34,216
- purchases of shares in subsidiaries	8,725	19,597
- loans granted to subsidiaries	11,351	8,230
- change of the nature of loans on long-term from entities in which the Company holds equity interests	-	80
- balance sheet valuation of non-current loans	186	-
- balance sheet valuation of loans in subsidiaries	-	258
- valuation of forward contracts	1,708	-
- valuation of participation units in CCF FIZ	8,103	5,888
- balance sheet valuation of shares	40	163
- release of revaluating write-offs for non-current loans	-	-
c) decreases (due to)	17,605	4,724

- repayment of subsidiaries' loans	-	3,292
- repayment of interest on subsidiaries' loans	-	-
- change of the nature of loans to current loans from entities in which the entity has an equity interest	161	-
- valuation of participation units in CCF FIZ	-	-
- valuation of forward contracts	-	1,340
- revaluation of shares	-	92
- creating write-offs due the loss of value of shares in subsidiaries	9,092	-
- creating revaluation write-offs on interest on loans to related parties	215	-
- balance sheet valuation of shares	-	-
- creating revaluation write-offs on loans to related parties	8,137	-
- redemption of capital of loans of related parties	-	-
d) Closing balance	394,455	393,935

3.3. Current Financial Assets

	30 June 2021	31 December 2020	30 June 2020
a) in related parties	831	680	655
- loans granted	422	402	322
- other financial assets	409	278	333
b) in other entities in which the Company holds equity interests	-	-	-
- loans granted	-	-	-
- other financial assets	-	-	-
c) in other entities	103,149	22,120	1,225
- interest or shares	-	-	-
- loans granted	-	-	-
- other securities	100,140	20,001	-
- other current financial assets	3,009	2,119	1,225
• forward and IRS contracts	3,009	2,119	1,225
d) cash and cash equivalents	89,013	93,076	102,684
- cash in hand and at banks	89,013	93,076	102,684
- other cash assets	-	-	-
Total Current financial assets	192,993	115,876	104,564

4. Brief Description of Significant Achievements or Failures of the Issuer during the Period Covered by the Report, Including a List of the Most Significant Events Related to Such Achievements or Failures

In the half quarter of 2021, Comarch S.A. reached revenue from sales higher by 6.6% than that achieved in the previous year (PLN 478,727 thousand in H1 2021 compared to PLN 449,037 thousand in H1 2020). Net sales of products constituted 95.7% of total sales of the Company and were higher by PLN 37,494 thousand. The

Company's operating profit achieved in the first half of 2021 amounted to PLN 30,569 thousand, net result was PLN 53,836 thousand. EBIT margin was 6.4%, and net margin was 11.2%.

In the second quarter of 2021, Comarch S.A. reached PLN 221,931 thousand of sales revenue, which means an increase of PLN 10,920 thousand, i.e. of 5.2% compared to the corresponding period of 2020. Net sales of products constituted 97.0% of total sales of the Company and were higher by PLN 19,542 thousand (PLN 215,220 thousand compared to PLN 195,678 thousand). The Company's operating profit achieved in the second quarter of 2021 amounted to PLN 2,259 thousand, net result was PLN 29,349 thousand. EBIT margin was 1.0%, and net margin was 13.2%.

5. Factors and Events of Unusual Nature with Significant Effects on the Achieved Financial Results

Except for the ones described in point 2 of this financial statement, currency exchange rate differences and financial instruments based on exchange rates have influence on the financial results. Realized foreign exchange rate differences and balance sheet valuation of exchange rates on receivables and liabilities as at the 30th of June, 2021, decreased revenue and operating profit of Comarch S.A. by PLN 3,507 thousand (while in the similar period of 2020 increased by PLN 10,076 thousand). Exchange rate differences from other activities increased the result of Comarch S.A. by PLN 2,443 thousand (while in the corresponding period of 2020 decreased by PLN 3,842 thousand). The valuation of financial instruments and closed transactions (mostly forward contracts) and provision for deferred income tax in reference to the valuation of the financial instruments increased the Company's net profit by PLN 7,680 thousand (while in the corresponding period of 2020 decreased it by PLN 6,920 thousand). The total effect of exchange rate differences and valuation of derivative financial instruments on the net result of the Comarch S.A. in the first half of 2021 amounted to plus PLN 6,616 thousand (minus PLN 686 thousand in the corresponding period of 2020).

In addition to the above, financial revenue in the first half of 2021 increased by PLN 32,368 thousand due to dividends from subsidiaries (while in the same period of the previous year it was the amount of PLN 41,011 thousand).

As at the 30th of June, 2021, Comarch S.A. created write-offs due the loss of value of shares in subsidiaries in the amount of PLN 9,092 thousand.

6. Discussion of Seasonality (Cyclical Nature) of the Issuer's Business in the Period Presented

Over 2020, Comarch S.A. revenue structure was as follows: 24% of annual sales were achieved in the first quarter, 21% in the second quarter, 23% in the third quarter and 32% in the fourth quarter.

Over 2021, the Company expects the distribution of sales revenue similar to that of 2020.

7. Information about Write-Offs that Revaluated Inventories at the Net Realizable Value and Reversal Referred to Them

As of 30th of June, Comarch S.A. has not created write-offs that revaluated goods, materials and finished products. The company resolved write-offs revaluated goods and materials which had been created in the previous years in the amount of PLN 473 thousand.

8. Information about Revaluating Write-Offs in Relation to Impairment of Financial Assets, Property, Plant and Equipment, Intangible Assets or Other Assets and about Reversal Referred to Them

Revaluating write-offs in relation to impairment	Financial assets	Property, plant and equipment	Intangible assets	Other assets	Total
Balance at 1 January 2020	128,879	-	-	-	128,879
Change:	92	-	-	-	92
- creation	92	-	-	-	92
- dissolution	-	-	-	-	-
Balance at 30 June 2020	128,971	-	-	-	128,971
Balance at 1 January 2020	128,879	-	-	-	128,879
Change:	4,692	-	-	9,229	13,921
- creation	4,692	-	-	9,229	13,921
- dissolution	-	-	-	-	-
Balance at 31 December 2020	133,571	-	-	9,229	142,800
Balance at 1 January 2021	133,571	-	-	9,229	142,800
Change:	9,092	-	-	7,951	17,043
- creation	9,092	-	-	7,951	17,043
- dissolution	-	-	-	-	-
Balance at 30 June 2021	142,663	-	-	17,180	159,843

9. Information about Creation, Increasing, Using and Dissolution of Provisions

	Provisions for contracts costs	Provisions for contractual penalties and other claims	Provisions for leaves	Provisions for remuneration	Provision for pension and related benefits	Total
Balance at 1 January 2020	13,885	8,323	24,006	89,732	-	135,946
Change:	(2,637)	(5,132)	11,943	(6,004)	-	(1,830)
- creation	2,298	285	14,782	26,114	-	43,479
- dissolution	(4,935)	(5,417)	(2,839)	(32,118)	-	(45,309)
Balance at 30 June 2020	11,248	3,191	35,949	83,728	-	134,116
Current	11,248	3,191	35,949	83,728	-	134,116
Non-current	-	-	-	-	-	-
Balance at 1 January 2020	13,885	8,323	24,006	89,732	-	135,946
Change:	(62)	(5,176)	7,476	16,179	1,398	19,815
- creation	9,020	432	21,310	103,812	1,398	135,972
- dissolution	(9,082)	(5,608)	(13,834)	(87,633)	-	(116,157)
Balance at 31 December 2020	13,823	3,147	31,482	105,911	1,398	155,761
Current	13,823	3,147	31,482	105,911	-	154,363
Non-current	-	-	-	-	1,398	1,398
Balance at 1 January 2021	13,823	3,147	31,482	105,911	1,398	155,761
Change:	(542)	(533)	10,933	(42,520)	377	(32,285)
- creation	2,167	245	15,569	28,302	443	46,726
- dissolution	(2,709)	(778)	(4,636)	(70,822)	(66)	(79,011)
Balance at 30 June 2021	13,281	2,614	42,415	63,391	1,775	123,476
Current	13,281	2,614	42,415	63,391	-	121,701
Non-current	-	-	-	-	1,775	1,775

All provisions were calculated based on credible estimate as of the balance sheet date.

10. Information about Provisions and Assets in Reference to Deferred Income Tax

	Asset due to deferred income tax	Provision due to deferred income tax
Balance at 1 January 2020	6,082	24,786
Creation in H1 2020	433	1,119
Dissolution in H1 2020	(986)	(1,112)
Balance at 30 June 2020	5,529	24,793
Balance at 1 January 2020	6,082	24,786
Creation in 2020	1,305	20
Dissolution in 2020	(1,632)	(1,145)
Balance at 31 December 2020	5,755	23,661
Balance at 1 January 2021	5,755	23,661
Creation in H1 2021	1,193	2,223
Dissolution in H1 2021	(2,108)	(22)
Balance at 30 June 2021	4,840	25,862

11. Information about Significant Transactions of Purchase and Sale of Property, Plant and Equipment

In reporting period Comarch S.A. purchased computer hardware for amount of PLN 10,433 thousand, technical devices for the amount PLN 119 thousand and intangible assets for the amount of PLN 16,268 thousand including copyrights to medical systems acquired from a subsidiary for the total amount of PLN 15,669 thousand.

In reporting period Comarch S.A., revenue from sales of property, plant and equipment amounted to PLN 456 thousand.

12. Information about Liability in Relation to Purchase of Property, Plant and Equipment or Non-current Financial Assets

As at 30th of June, 2021, Comarch S.A. has liabilities due to purchase of computer hardware in the amount of PLN 3,704 thousand, investment liabilities in the amount of PLN 388 thousand as well as liabilities due to purchase of intangible assets in the amount of PLN 364 thousand.

Comarch S.A. has also liabilities due to acquisition of shares in increased share capital of subsidiary, Comarch Pointshub Inc., in the amount of PLN 3,385 thousand.

13. Information about Significant Settlements in Reference to Court Proceedings

None present.

14. Correction of Mistakes from the Previous Periods

None present.

15. Information in Relation to Changes in Economic Situation and Conditions for Operation, which Have a Significant Effect on Fair Value of an Entity's Financial Assets and Financial Liabilities Regardless of whether the Assets and the Liabilities Are Recognised in Fair Value or in Adjusted Purchase Price (Depreciated Cost)

None present.

16. Information about Unpaid Credits or Loans, as well as Breach of Significant Provisions of the Credit or Loan Agreements which Were Not Subject to Corrective Measures as of the Reporting Period

None present.

17. Information about One or More Transactions Concluded by the Issuer or Its Subsidiary with Related Parties, if Individually or in Total are Significant and Concluded on Terms Different from Market Conditions

None present.

18. In Case of Financial Instruments Valuated in Fair Value – Information about Changes in Method of Its Establishment

None present.

19. Information Related to Changes in Classification of Financial Assets as a Result of Changes in Their Purpose or Using of These Assets

None present.

20. Information on any Issue, Repurchase or Repayment of Debt and Equity Securities

None present.

21. Information on any Dividend Paid Out or Declared, Including Its Total and per Share Value, Separately for Ordinary and Preference Shares

Comarch S.A.'s Management Board informed in a current report no. [RB-4-2021](#) (ENG: [RB-4-2021](#)) dated the 18th of May, 2021 that the Supervisory Board of Comarch SA, by virtue of Resolution No. 09/05/2021 of 18th of May, positively expressed the opinion of the Management Board of Comarch S.A. dated the 17th of May, 2021, so that the Company's net profit in the financial year from January 1, 2020 to December 31, 2020 in the amount of PLN 80,008,432.99 (in words: eighty million, eight thousand four hundred thirty two zlotys and 99/100) was divided in such a way that:

1) part of the net profit of PLN 24,400,047 (in words: twenty four million four hundred thousand forty seven zlotys) will be used to pay dividend. The dividend in the amount of PLN 3.00 (in words: three zlotys) per share will be given to persons who are shareholders of the Company on 6th of July, 2021 (dividend day), and the dividend will be paid on 16th of July, 2021.

2) the remaining part of the net profit in the amount of PLN 55,608,385.99 (in words: fifty five million six hundred eight thousand three hundred eighty five zlotys and 99/100) will be transferred to supplementary capital.

On the 24th of June, 2021, the General Shareholder's Meeting passed the resolution no. 9, related to distribution of the net profit earned in the fiscal year 1 January 2020 - 31 December 2020 (current report no. [RB-8-2021](#), ENG: [RB-8-2021](#), of the 24th of June, 2021). Dividend was paid on the 16th of July, 2021.

22. Events that Occurred after the Date of Condensed Quarterly Financial Statement, which Are Not Included in the Financial Statement but May Significantly Affect the Future Performance of the Issuer

None present.

23. Information on any Changes in Contingent Liabilities or Contingent Assets which Have Occurred since the End of the Last Financial Year

As at the 30th of June, 2021, the value of bank guarantees and letters of credit issued by banks on order from Comarch S.A. in reference to executed agreements and participation in tender proceedings was PLN 89,560 thousand, whereas it was PLN 91,066 thousand as at the 31st of December, 2020.

Comarch S.A. is the defendant in legal proceedings in which the potential total amount of third party claims is PLN 14,054 thousand of which PLN 1,051 thousand is covered by provisions included in the balance sheet at the 30th of June, 2021. In the first half of 2021, Comarch S.A. did not create provisions for claims covered by legal proceedings whereas resolved provisions in this respect for the amount of PLN 122 thousand.

The Comarch S.A. is a party to the matters in disputes, but not legal proceedings in which the potential total amount of third-party claims is PLN 3,524 thousand of which PLN 1,563 thousand is covered by provisions included in the balance sheet at the 30th of June, 2021. In the first half of 2021, Comarch S.A. created provisions for matters in disputes, but not legal proceedings in the amount of PLN 245 thousand and resolved provisions in this respect for the amount of PLN 656 thousand.

Due to the legal proceedings, in the first half of 2021 the Comarch Group created write-offs that revalue receivables in the amount of PLN 3 thousand. Due to the matters in disputes, but not legal proceedings, in the first half of 2021 the Comarch Group did not create write-offs that revalue receivables.

24. Other Information with Significant Effects on the Financial Condition Assessment and the Achieved Financial Results of the Issuer

24.1. Impact of SARS-CoV-2 Coronavirus and COVID-19 Incidents on the Company's Operations and Financial Results

In reference to the recommendations of the European Securities and Markets Authority and the Polish Financial Supervision Authority of the 12th of March, 2020, the Management Board of Comarch S.A. in the current report no. [RB-5-2020](#) (ENG: [RB-5-2020](#)) dated on the 19th of March, 2020, provided information on the possible impact of the SARS-CoV-2 coronavirus spread and COVID-19 incidence on the Company's operations and financial results.

The Management Board of Comarch S.A. monitors on an ongoing basis the development of the situation related to the continuing effects of the spread of SARS-CoV-2 coronavirus and COVID-19 incidence and their impact on the Company's operations. The Management Board of the Company hereby informs that as at the date of publication of this report the Company's operations were conducted without any interruptions. The Comarch S.A. implemented all guidelines recommended by the Chief Sanitary Inspectorate and other state institutions in the countries of the Company's operational activity, with particular regard to employee's safety, health and hygiene recommendations. Business trips to countries identified by the Chief Sanitary Inspectorate as high-risk countries were suspended or limited, direct contacts of employees within the organization were limited, and the remote work mode of office workers was launched on a large scale, and all hygiene recommendations are applied in Comarch offices. Comarch S.A. carried out a vaccination campaign against COVID-19 for employees at the company's headquarters in Krakow and in larger branches in Poland.

Regardless of the current intensity of the epidemic, remote communication methods are commonly used in business contacts. The Management Board of the Company notes that the activities of the Comarch S.A. are very well diversified in terms of industry, products and geography, and the effects of the pandemic did not pose a threat to the financial stability of the company or introduced significant disruptions in the implementation of

During the epidemic period, there was no decrease in revenue from sales of services and products offered by the Company. The Comarch Group's operational activity and the financial results achieved in subsequent periods will be influenced by factors such as the duration and scope of the epidemic, the number of people falling ill with COVID-19, further administrative restrictions on the functioning of states and businesses, restrictions on the movement of employees, the possibility of taking advantage of aid packages launched by individual countries, as well as the pace of implementation of the immunization programme.

24.2. Selection of the most advantageous offer in the public procurement for providing the support, operation and maintenance of the KSI ZUS

Comarch S.A.'s Management Board informed in a current report no. [RB-2-2021](#) (ENG: [RB-2-2021](#)) dated the 5th of February, 2021 about the receipt of the notification of February 4, 2021 regarding the selection of the most advantageous offer in the public procurement for providing the support, operation and maintenance of the Comprehensive IT System for the Social Insurance Institution (KSI ZUS), tender procedure no. TZ/271/65/19,

organized by the Social Insurance Institution in Warsaw (hereinafter referred to as the "ZUS"), which indicate that the offer submitted by the Consortium of Comarch Polska S.A. and Comarch S.A. (hereinafter referred to as the "Consortium") was selected. The total value of the offer submitted by the Consortium under this tender is PLN 203,886,156.11 gross. The term of the contract is a maximum of 77 months from the date of the contract conclusion. The Management Board of Comarch S.A. will inform about the contract conclusion with the separate current report. Comarch S.A.'s Management Board recognized this information as an inside information due to its potential influence for the financial and economic situation of the Company.

24.3. Statement from ZUS on Partial Withdrawal from the Agreement (KSI ZUS)

On the 20th of February, 2021 the Management Board of Comarch S.A. informed about the receipt on 19th of February, 2021 of a statement from ZUS on partial withdrawal from the Agreement, submitted on the basis of the right under the Agreement, in terms of part of the supplementary order referred to in § 2 sec. 1 point 1 of the Annex of 23rd of December, 2020, pursuant to which the Consortium was entrusted with the provision of services supporting the operation and maintenance of KSI ZUS currently covered by the Agreement with Asseco Poland S.A. According to the statement of ZUS, the decision to exercise the right of partial withdrawal from the Agreement was influenced by the judgment of the National Appeals Chamber of 19th of February, 2021 (ref. KIO 18/21). Maximum value of services covered by part of the supplementary order to the extent indicated in § 2 section 1 point 1 of the Annex of 23rd of December 2020, to which the ZUS declaration relates, amounts to PLN 37,550,399.67 net (PLN 46,186,991.59 gross). The remaining scope of services covered by the Agreement remains unchanged.

Company informed about the details in current report no. [RB-3-2021](#) (ENG: [RB-3-2021](#)) dated the 20th of February, 2021.

24.4. Signing the Agreement on Construction of Comarch Data Centre

On the 10th of June, 2021 the Management Board of Comarch S.A. informed about signing on the 9th of June, 2021, an agreement between Comarch Inc. seated in the United States of America (hereinafter: "Ordering Party"), a subsidiary of the issuer, and The Weitz Company LLC (hereinafter "Contractor") for the construction of Comarch Data Centre with infrastructure in Mesa, Arizona (hereinafter "Agreement").

The value of the Agreement amounts to USD 19,746,980.85 net, i.e. PLN 72,165,341.52. The deadline for the performance of the subject of the Agreement is 330 days from the signing the Agreement.

Company informed about the details in current report no. [RB-6-2021](#) (ENG: [RB-6-2021](#)) dated the 10th of June, 2021.

24.5. Signing the Agreement on Delivery and Maintenance of IT Systems for 450connect

On the 19th of July, 2021 the Management Board of Comarch S.A. informed about signing by Comarch AG, a wholly owned subsidiary of Comarch S.A., a framework agreement with 450connect GmbH. The subject matter of this framework agreement is delivery and maintenance of software, on the terms specified in the agreement. Presupposing, that the contract runs for the entire term of 20 years without being terminated by either party, Comarch AG will receive a remuneration of approximately EUR 42,300,000.00 i.e. PLN 194,059,710.00 over the term. Commercial conditions of the agreement and Comarch AG liability for the compensation of damages are in line with market standards used in similar agreements.

Company informed about the details in current report no. [RB-11-2021](#) (ENG: [RB-11-2021](#)) dated the 19th of July, 2021.

24.6. Non-Renewable Credit Agreement with CaixaBank, S.A. Oddział w Polsce (Branch in Poland)

The Management Board of Comarch S.A. informed about signing non-renewable credit agreement on the 5th of August, 2021 with CaixaBank, S.A. Branch in Poland with its office in Warsaw (hereinafter referred to as the "Bank") for general corporate purposes. The credit amount is EUR 14,500,000.00, i.e. PLN 66,054,750 at the EUR exchange rate on the date of the contract signing. The credit period lasts until the 5th of August, 2026, and the interest rate is based on a variable rate. The credit should be used by the 5th of August, 2022. The credit is secured with:

- a) power of attorney granted to the Bank by Comarch S.A. to administer funds on settlement accounts maintained by the Bank;
- b) Comarch S.A. statement on submission to enforcement up to 150% of the credit amount.

Company informed about the details in current report no. [RB-12-2021](#) (ENG: [RB-12-2021](#)) dated the 5th of August, 2021.

31st of August, 2021**SIGNATURES OF MANAGEMENT BOARD MEMBERS**

Name and Surname	Position	Signature
Janusz Filipiak	President of the Management Board	
Paweł Prokop	Vice-president of the Management Board	
Andrzej Przewięźlikowski	Vice-president of the Management Board	
Zbigniew Rymarczyk	Vice-president of the Management Board	
Konrad Tarański	Vice-president of the Management Board	
Marcin Warwas	Vice-president of the Management Board	

SIGNATURE OF PERSON CHARGED WITH CARRYING ON ACCOUNT BOOKS

Name and Surname	Position	Signature
Maria Smolińska	Head Accountant	

Comarch S.A.

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COMARCH



Report of Comarch S.A.'s Management Board Regarding the Activities of the Capital Group in H1 2020

Kraków, 31st of August, 2021

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60+ countries on **6** continents
– we implement projects all over the world



PLN 721 million
of sales revenue



PLN 51 million
of net profit



> PLN 2 billion
capitalization of Comarch S.A. on the WSE
(30.06.2021)



9,0%
of EBIT margin



6,300+
professionals employed

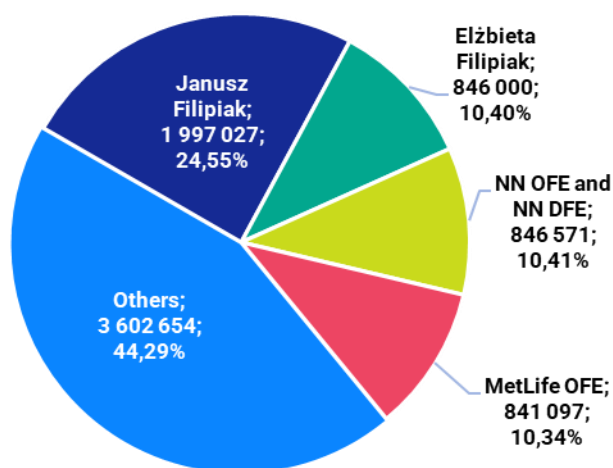
1. Information about the Company

The basic activities of the Comarch Group (the "Group"), in which Comarch S.A. with its registered office in Krakow at Al. Jana Pawła II 39 A is a parent company, include activity related to software, PKD 62.01.Z. The registration court for Comarch S.A. is the District Court for Krakow Śródmieście in Krakow, XI Economic Division of the National Court Register. The company's KRS number is 0000057567. Comarch S.A. holds the dominant share in Group regarding realised revenue, value of assets and number and volume of executed contracts. Comarch S.A. shares are admitted to public trading on the Warsaw Stock Exchange. The duration of the Parent Company is not limited.

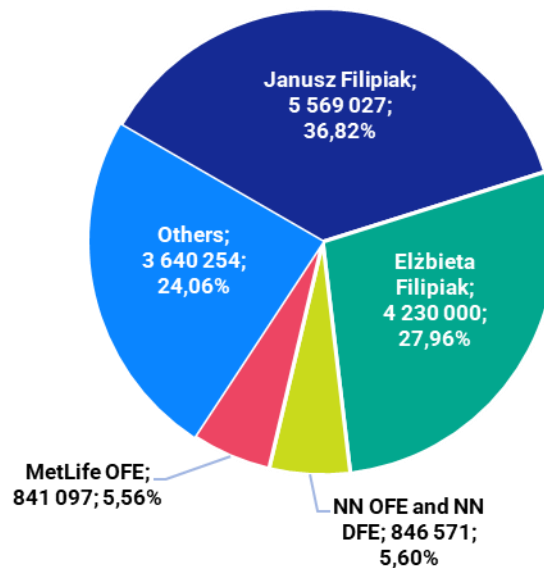
1.1. Shareholders who Directly or Indirectly through Subsidiary Entities Hold at least 5% of the Total Number of Votes at Comarch S.A. General Meeting as at the 31st of August, 2021

Comarch S.A.'s share capital consists of 8,133,349 shares at total nominal value of PLN 8,133,349. According to the information possessed by Comarch S.A., as at the 31st of August, 2021, shareholders holding at least 5% of votes at the Company's AGM are Janusz Filipiak, Elżbieta Filipiak, Nationale-Nederlanden OFE and Nationale-Nederlanden DFE managed by Nationale-Nederlanden PTE S.A. and MetLife OFE managed by MetLife PTE S.A.

Shareholding - number of shares



Shareholding - number of votes



1.2. Changes in Significant Holdings of Comarch S.A. Shares from the Publication of the Last Periodical Report, i.e. from 21st of May, 2021

Entity	At 31 st of August, 2021				At 21 st of May, 2021			
	Shares	% in share capital	Number of votes	% in votes at AGM	% in share capital	% in share capital	Shares	% in votes at AGM
Janusz Filipiak	1,997,027	24.55	5,569,027	36.82	1,997,027	24.55	5,569,027	36.82
Elżbieta Filipiak	846,000	10.40	4,230,000	27.96	846,000	10.40	4,230,000	27.96
Nationale-Nederlanden OFE	846,571	10.41	846,571	5.60	846,571	10.41	846,571	5.60
MetLife OFE	841,097	10.34	841,097	5.56	841,097	10.34	841,097	5.56

1.3. Shareholding Structure of Managing and Supervising Entities as at the Date of Last Quarterly Report

The table below presents the shareholding of Comarch S. A. by managing and supervising persons as at the date of publication of the consolidated financial statements for the first quarter of 2021, i.e. 21st of May, 2021 and 31st of August, 2021, according to the Company's knowledge.

Managing and supervising persons	Position	At 31 st of August, 2021		At 21 st of May, 2021	
		Number of shares	% of share capital	Number of votes at the Company's AGM	% of votes at the Company's AGM
Janusz Filipiak	President of the Management Board	1,997,027	36.82	1,997,027	36,82
Elżbieta Filipiak	Chairman of the Board of Supervisors	846,000	27.96	846,000	27,96
Paweł Prokop	Vice-President of the Management Board	30,150	0.45	30,150	0,45
Andrzej Przewięźlikowski	Vice-President of the Management Board	0	0.00	0	0,00
Zbigniew Rymarczyk	Vice-President of the Management Board	34,000	0.22	34,000	0,22
Konrad Tarański	Vice-President of the Management Board	10,608	0.07	10,608	0,07
Marcin Warwas	Vice-President of the Management Board	10,608	0.07	10,608	0,07
Total		8 133 349	100.00	8,133,349	100.00

To the knowledge of the Company, only Elżbieta Filipiak, amongst members of the Supervisory Board of Comarch S.A., holds Company shares.

1.4. Registered Preference Comarch S.A. Shares

Registered shares in series A and B are preferential and each such share corresponds with 5 votes at the General Meeting. Janusz Filipiak, the President of the Comarch S.A. Management Board, holds 470,000 series A registered preference shares, which give 2,350,000 votes at the annual general meeting and 423,000 series B registered preference shares, which give 2,115,000 votes at the annual general meeting. Paweł Prokop, the Vice-President of the Management Board holds 9,400 series A registered preference shares, which give 47,000 votes at the annual general meeting. Elżbieta Filipiak, Chairman of the Comarch S.A. Supervisory Board, holds 385,400 series A registered preference shares, which give 1,927,000 votes at the annual general meeting and 460,600 series B registered preference shares, which give 2,303,000 votes at the annual general meeting.

The conversion of registered shares into bearer shares is allowed. In case of that registered shares are converted into bearer shares, they lose all preferences. In case that registered preferential shares are disposed

their specific voting rights at the General Meeting expire, however their specific voting rights at the General Meeting do not expire in case of:

- a) disposal for the benefit of persons who were shareholders of the company on the 18th of March, 1998,
- b) disposal for the benefit of descendants of a disposer,
- c) conveying property of a registered share as a result of succession,
- d) disposal for the benefit of a legal person or non-corporate organizational unit of Polish or foreign law, including in particular, for the benefit of quasi-corporate unit of Polish or foreign law ("Structure") controlled, within the meaning of art. 8 sec 5 of the company's articles of association, only by a shareholder who contributes (disposes) registered preference shares to the Structure ("Contributing Shareholder") or (jointly) controlled only by the Contributing Shareholder's relatives in the ascending and descending line, siblings or spouse, or (jointly) controlled by some or all of the persons mentioned above ("Related Person or Related Persons") and the Contributing Shareholder jointly ("Controlled Structure") and disposal by the one Controlled Structure of the registered preference shares for the benefit of the other Controlled Structure.

To disposal of registered shares, the consent of the Management Board of Comarch S.A. in written form is required. Disposal of shares without mentioned consent is possible under the terms of the Article of Association of the Comarch S.A.

Bearer share corresponds with 1 vote at the General Meeting. The conversion of bearer shares into registered shares is not allowed.

2. Basic Economics and Financial Values

2.1. Selected Consolidated Financial Data

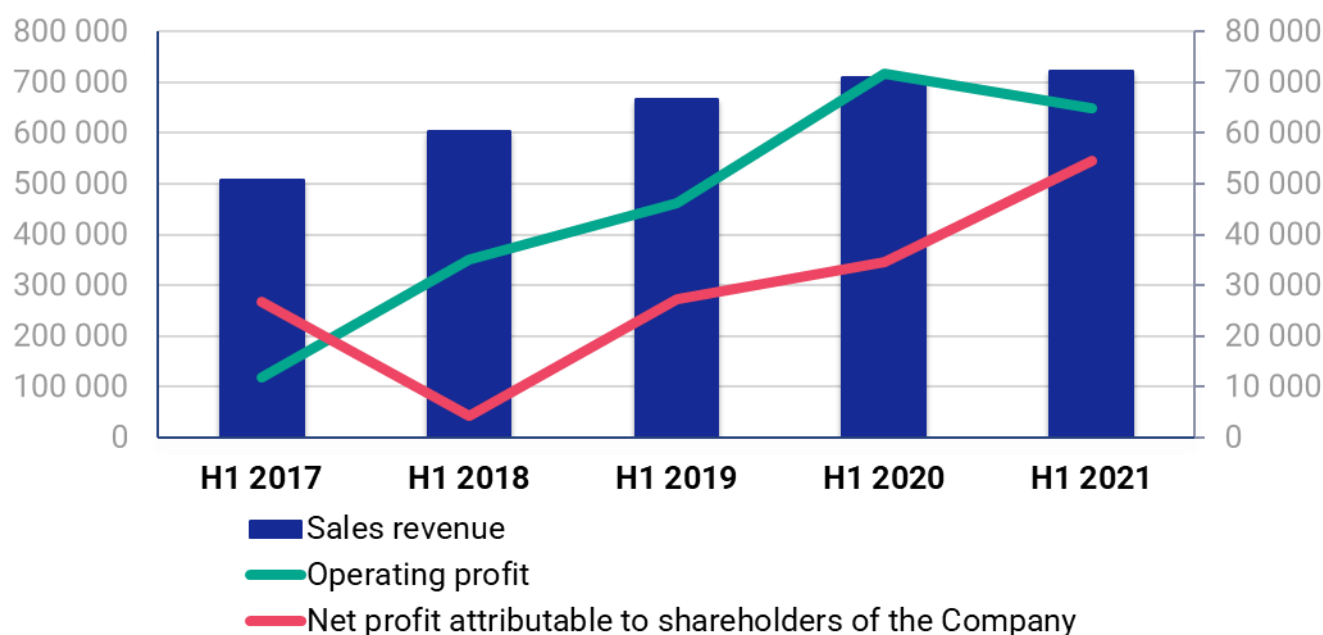
	H1 2021	H1 2020	H1 2019	H1 2018	H1 2017
Revenue from sales	721,346	708,784	666,488	604,008	507,157
Revenue from sales of proprietary IT solutions	676,869	670,901	616,936	540,864	473,663
Operating profit	64,847	71,783	46,157	34,999	11,790
EBITDA*	110,701	118,240	86,312	71,410	43,535
Net profit	76,022	56,897	46,103	11,424	34,748
Net profit attributable to shareholders of the parent company	54,583	34,519	27,179	4,300	26,871
Profit per share (in PLN)	6.71	4.24	3.34	0.53	3.30
Assets	2,024,218	1,925,011	1,729,072	1,579,760	1,438,227
Equity	1,121,315	1,005,611	891,491	853,716	818,437

*) Operating profit + Depreciation. Depreciation in Q1 and Q2 2019 - 2021 were transformed in accordance with IFRS 16.

In the first half of 2021, sales revenue of the Comarch Group was higher by PLN 12,562 thousand, i.e. by 1.8% compared to the previous year. Operating result amounted to PLN 64,847 thousand and was lower by 9.7% compared to that achieved in the first half of 2020. Net profit attributable to the shareholders of the parent

company was higher compared to that achieved in the first half of the previous year by PLN 20,064 thousand, i.e. 58.1% by and amounted to PLN 54,583 thousand. As at the 30th of June, 2021, the Comarch Group hired 6,306 persons, i.e. 156 persons less than as at the 31st of December, 2020.

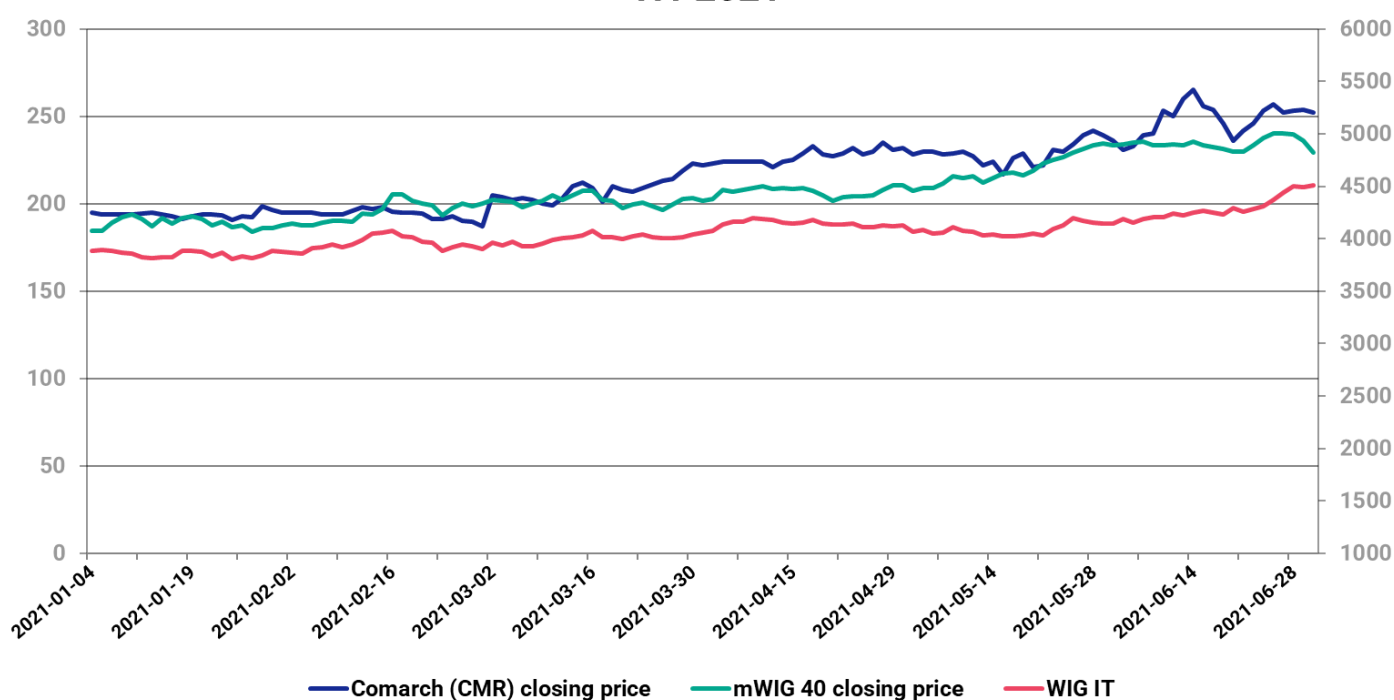
As at the end of June, 2021, assets of the Comarch Group increased by PLN 99,207 thousand, i.e. by 5.2% compared to the end of June, 2020, while the value of equity in the same period increased by PLN 115,704 thousand, i.e. by 11.5%.



*From 1st of January 2018, the Group started using the principles resulting from IFRS 15 for sales revenue. For comparative purposes, the transformation of data for the first and the first half of 2017 was made in accordance with IFRS 15.

2.2. Comarch S.A. Stock Price Performance (in PLN)

H1 2021



Period	The highest	The lowest
Q1 2021	223.00	187.00
Q2 2021	265.00	217.00

The closing rate of Comarch S.A. shares between the 1st of January, 2021, and 30th of June, 2021, increased from PLN 194.5 to PLN 252.00 i.e. 29.6%. During the first six months, the maximum closing rate amounted to PLN 265.00. The closing rate of Comarch S.A. shares between the 30th of June, 2020, and 30th of June, 2021, increased from PLN 210.0 to PLN 252.00, i.e. by 20.0%.

<i>Data in PLN</i>	6 months ended 30 June 2021 / 30 June 2021	6 months ended 30 June 2020 / 30 June 2020
Average price during the reporting period	216.89	197.76
MIN price during the reporting period	187.00	149.50
MAX price during the reporting period	265.00	214.00
Average volume during the reporting period	3,180.40	5,173.00
Capitalization at the balance sheet date	2,049,603,948	1,708,003,290
Ratios for consolidated data		
P/E at the balance sheet date	37.55	49.48
P/BV at the balance sheet date	1.85	1.73
P/S at the balance sheet date	2.84	2.41

3. Position of the Group in the IT Market and Information about Markets and Sources of Supply

Due to the type of IT systems offered by Comarch Group, medium-size and large companies (who are the largest clients of advanced IT solutions all over the world) constitute the main group of clients. Majority of Comarch products are addressed to specific groups of customers, while IT services are of universal nature and are offered to all groups of customers. The Comarch offer is dedicated to both Polish and foreign customers. Since many years, the Comarch strategy is based on the sale of an increasing number of products on international markets, especially in Western Europe, South and North America and Asia. Sale in the Comarch Capital Group is highly diversified, with no dependency on one major client. In the first half of 2021, the share of sale to none of the customer exceeded 10% of the Comarch Capital Group sales.

Due to the specific nature of the industry, in which Comarch manages its operations, international concerns, which are producers of computer systems and programmer's tools, Polish branches and representatives of such concerns, as well as Polish distributing companies and subcontractors for systems, have to be considered sources of supply. In the first half of 2021, share of none of the product provider exceeded 10% of the value of Comarch sales.

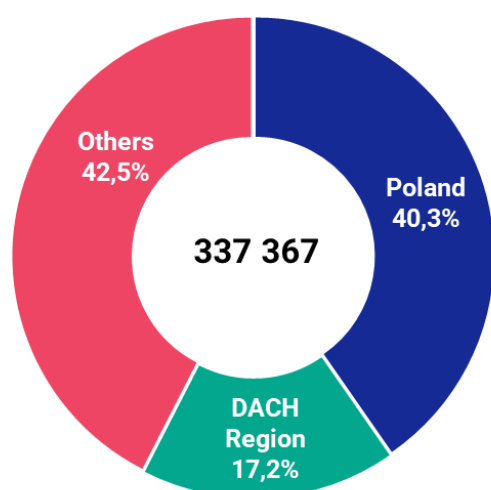
4. Sales Structure

4.1. Revenue from Sales- Geographical Structure (in thousands of PLN)

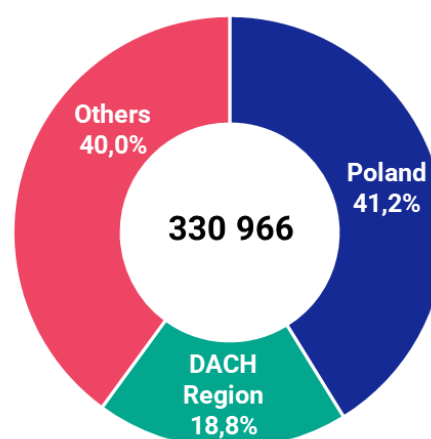
Geographical Sales Structure	Q2 2021	%	Q2 2020	%	Change (in PLN)	Change %
Domestic	136,050	40.3%	136,328	41.2%	-278	-0.2%
Export	201,317	59.7%	194,638	58.8%	6,679	3.4%
Total	337,367	100.0%	330,966	100.0%	6,401	1.9%

In the second quarter of 2021, domestic sales of the Comarch Group amounted to PLN 136,050 thousand, i.e. by PLN 278 thousand (i.e. by 0.2%) less than in the second quarter of 2020. Export sales in the second quarter of 2021 amounted to PLN 201,317 thousand and was higher by PLN 6,679 thousand (i.e. by 3.4%) compared to achieved in the second quarter of 2020. In the second quarter of 2021, export sales accounted for 59.7% of the total sales of the Comarch Group.

Q2 2021



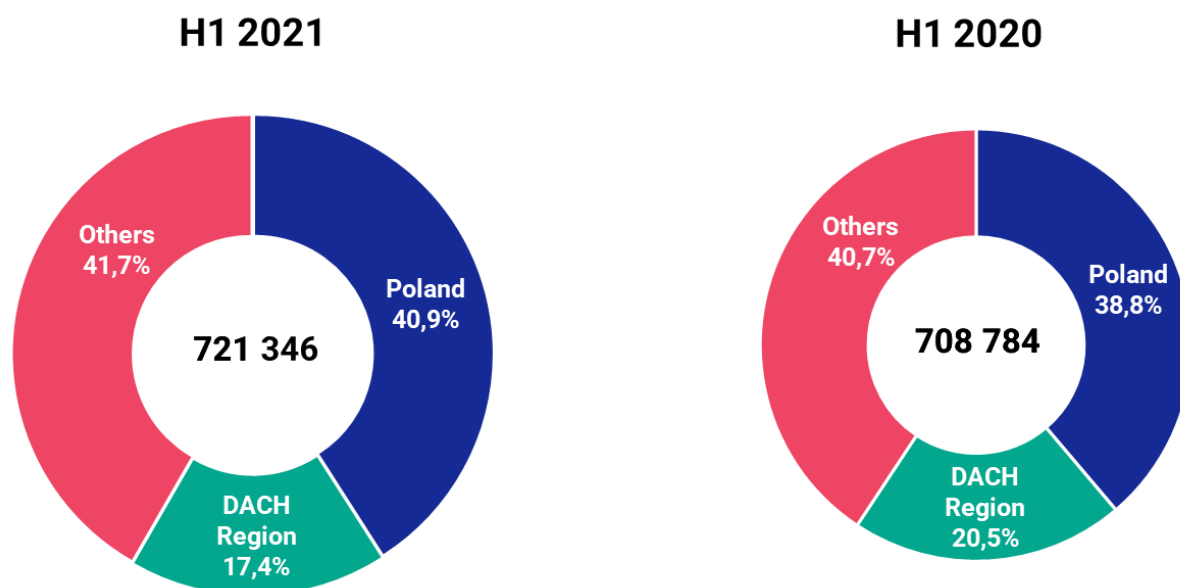
Q2 2020



Geographical Sales Structure	6 months ended 30 June 2021	%	6 months ended 30 June 2020	%	Change (in PLN)	Change (%)
Domestic	295,388	40.9%	274,680	38.8%	20,708	7.5%
Export	425,958	59.1%	434,104	61.2%	-8,146	-1.9%
Total	721,346	100.0%	708,784	100.0%	12,562	1.8%

In the first half of 2021, domestic sales of the Comarch Group amounted to PLN 295,388 thousand, more by PLN 20,708 thousand than in the first half of 2020. Export sales in the first half of 2021 amounted to PLN 425,958 thousand and were lower by PLN 8,146 thousand (i.e. by 1.9%) than in the first half of 2020, with significant changes in its structure. Sales in Asia and Australia and Oceania increased significantly (mainly in the field of telecommunications solutions), with a simultaneous decline in sales in European markets (especially in terms of solutions for the financial and commercial and service sectors). In the first half of the year, export sales accounted for 59.1% of the total sales of the Comarch Group.

Revenue from sales according to geographical segments (according to market locations):



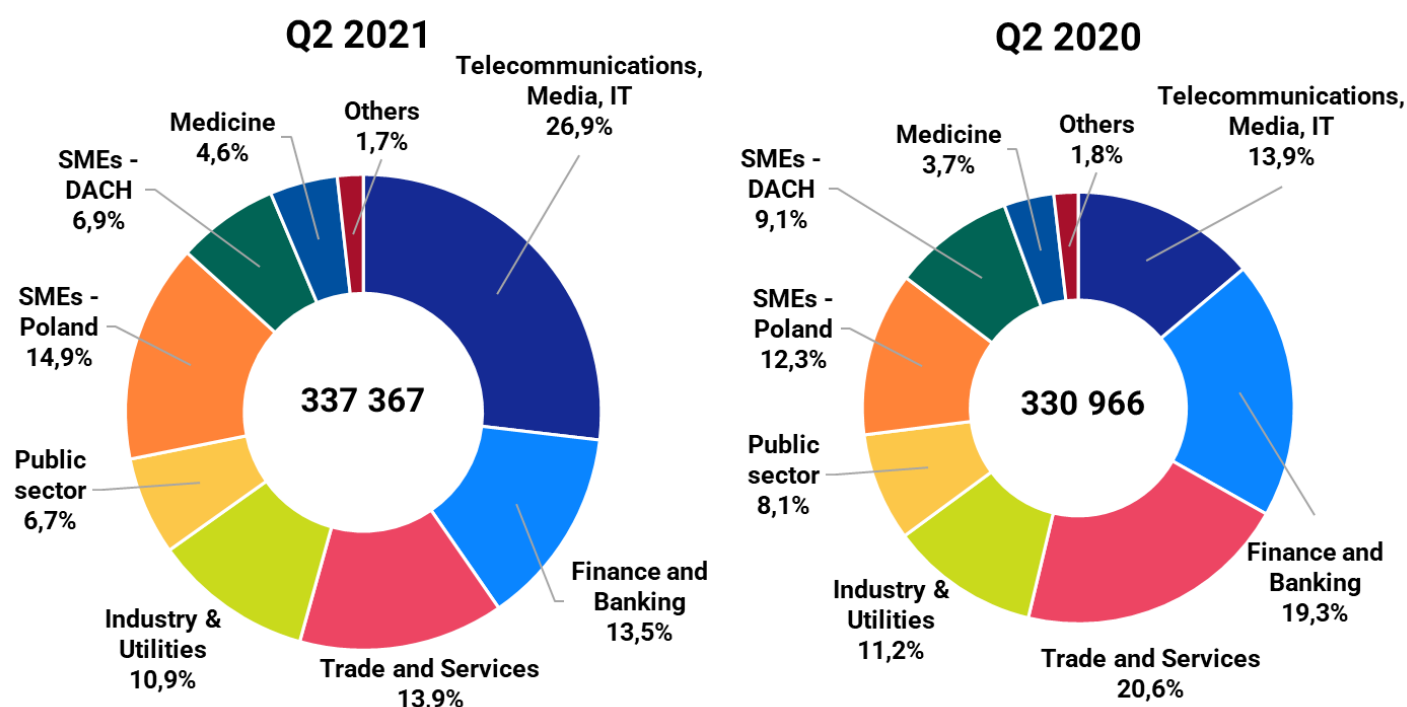
4.2. Revenue from Sales – Market Structure (in thousands of PLN)

Market Sales Structure	Q2 2021	%	Q2 2020	%	Change (in PLN)	Change (%)
Telecommunication, Media, IT	90,617	26.9%	45,839	13.9%	44,778	97.7%
Finance and Banking	45,577	13.5%	63,963	19.3%	-18,386	-28.7%
Trade and Services	47,019	13.9%	68,010	20.6%	-20,991	-30.9%
Industry & Utilities	36,641	10.9%	36,982	11.2%	-341	-0.9%
Public Sector	22,532	6.7%	26,845	8.1%	-4,313	-16.1%
Small and Medium Enterprises - Poland	50,174	14.9%	40,708	12.3%	9,466	23.3%
Small and Medium Enterprises - DACH	23,339	6.9%	30,197	9.1%	-6,858	-22.7%
Medical Sector	15,536	4.6%	12,391	3.7%	3,145	25.4%
Others	5,932	1.7%	6,031	1.8%	-99	-1.6%
Total	337,367	100.0%	330,966	100.0%	6,401	1.9%

In the second quarter of 2021, customers from the TMT sector purchased products and services worth PLN 44,778 thousand, i.e. 97.7% higher than in the corresponding period of the previous year. The higher value of sales revenue in the second quarter of 2021 was related to the implementation of several large contracts in Asia and in the region of Australia and Oceania. Sales to customers from the Finance and Banking sector decreased by PLN 18,386 thousand, i.e. by 28.7%, a decrease was also recorded in sales to clients in the Trade and Services sector, which decreased by PLN 20,991 thousand, i.e. by 30.9%. Sales to customers from the Industrial sector remained at a similar level compared to the second quarter of 2020.

In the second quarter of 2021, sales to clients from the Public sector decreased by PLN 4,313 thousand, i.e. by 16.1%. In the second quarter of 2021, sales to clients from the SME-Poland sector increased (by PLN 9,446

thousand, i.e. 23.3%), while sales to clients from the SME-DACH sector decreased by PLN 6,858 thousand, i.e. by 22.7%. Revenue from sales to clients from the Medical sector increased by PLN 3,145 thousand, i.e. by 25.4%. Sales to other customers remained at a similar level compared to the second quarter of 2020.

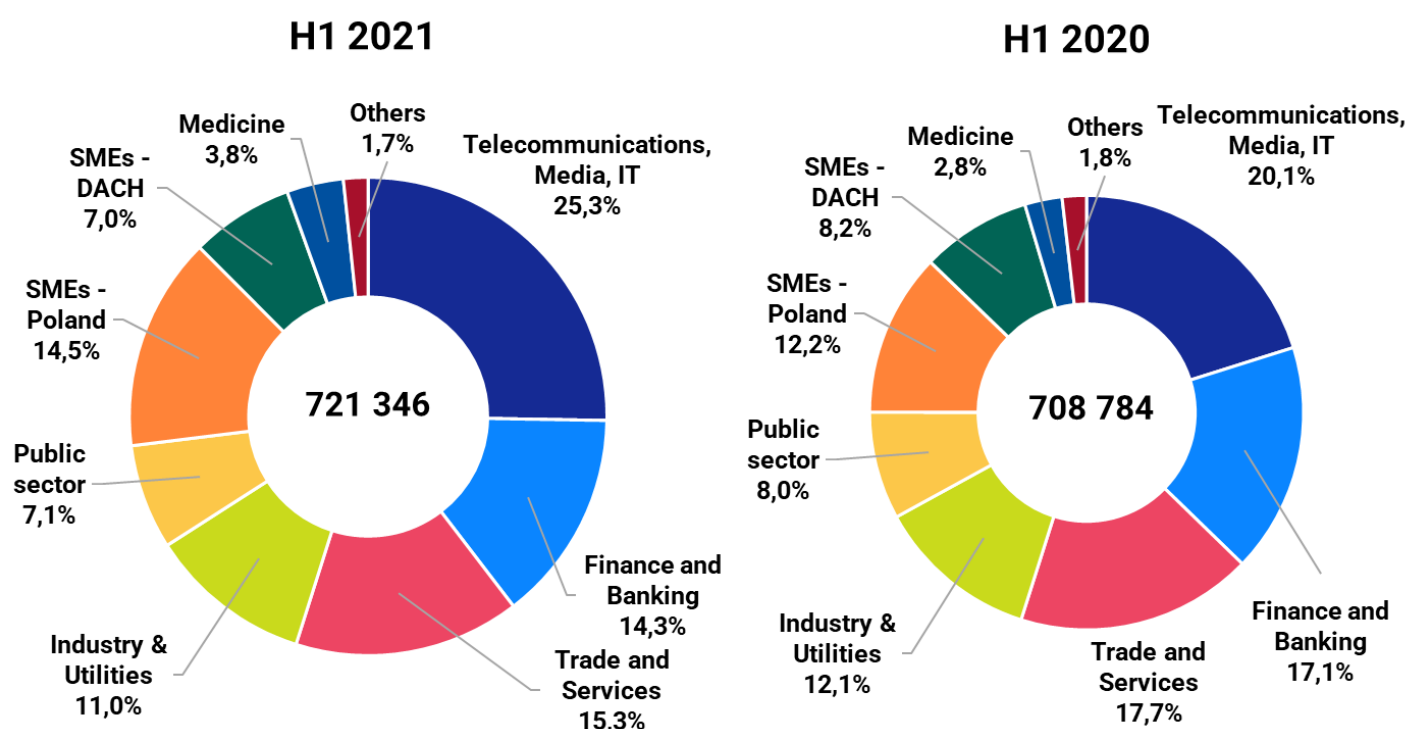


Market Sales Structure	6 months ended 30 June 2021	%	6 months ended 30 June 2020	%	Change (in PLN)	Change (%)
Telecommunication, Media, IT	182,249	25.3%	142,848	20.1%	39,401	27.6%
Finance and Banking	103,324	14.3%	121,208	17.1%	-17,884	-14.8%
Trade and Services	110,384	15.3%	124,968	17.7%	-14,584	-11.7%
Industry & Utilities	79,694	11.0%	86,007	12.1%	-6,313	-7.3%
Public Sector	51,258	7.1%	56,855	8.0%	-5,597	-9.8%
Small and Medium Enterprises - Poland	104,384	14.5%	86,171	12.2%	18,213	21.1%
Small and Medium Enterprises - DACH	50,290	7.0%	58,144	8.2%	-7,854	-13.5%
Medical Sector	27,739	3.8%	19,734	2.8%	8,005	40.6%
Others	12,024	1.7%	12,849	1.8%	-825	-6.4%
Total	721,346	100.0%	708,784	100.0%	12,562	1.8%

In the first half of 2021, the value of sales to recipients from the TMT sector amounted to PLN 182,249 thousand. PLN, which means an increase of PLN 39,401 thousand, i.e. of 27.6% compared to the first half of 2020. The higher value of revenue in the first half of 2021 was related to the implementation of several large contracts in Asia and in the region of Australia and Oceania. Customers from the Finance and Banking sector purchased products and services worth PLN 103,324 thousand, lower than in the corresponding period of the previous year by PLN 17,884 thousand, i.e. by 14.8%. Sales to customers from the Trade and Services sector also decreased, by PLN 14,584 thousand, i.e. by 11.7%, and to customers from the Industry and Utilities sector, by PLN 6,313 thousand, i.e. by 7.3%. In the first half of 2021, revenue from sales of the Comarch Group to recipients from the

Public sector decreased by PLN 5,597 thousand, i.e. by 9.8%. Customers from the SME-Poland sector purchased products and services worth PLN 18,213 thousand. PLN, i.e. 21.1% more than in the corresponding period of the previous year. Sales to the SME-DACH sector decreased by PLN 7,854 thousand, i.e. by 13.5%. The increase in sales to clients from the Medical sector amounted to PLN 8,005 thousand, i.e. 40.6%. Sales to other customers decreased by PLN 825 thousand (by 6.4%) compared to the corresponding period of 2020, mainly as a result of lower sales revenue from sports activities.

The business situation in the first half of 2021 confirmed that maintaining diversification of revenue sources and diversity of the offer is beneficial for the stable development of Comarch Group's operations, especially in the difficult conditions of a global pandemic.

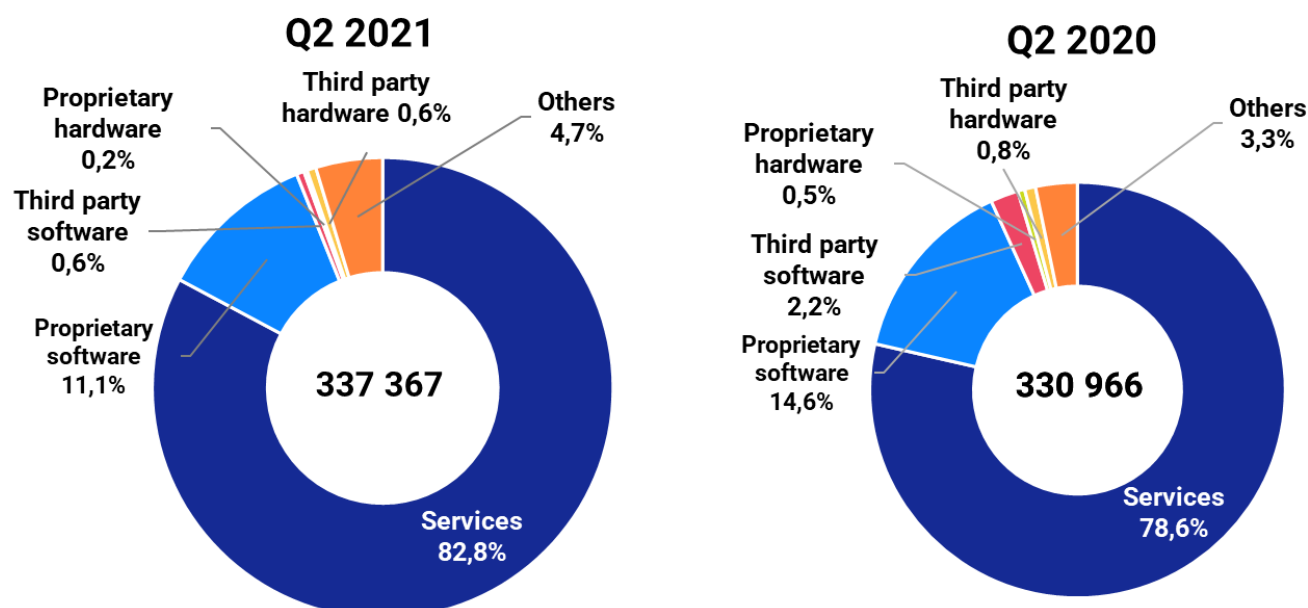


4.3. Revenue from Sales – Products Structure (in thousands of PLN)

Products Sales Structure	Q2 2021	%	Q2 2020	%	Change (in PLN)	Change (%)
IT Services	279,322	82.8%	260,076	78.6%	19,246	7.4%
Proprietary Software	37,501	11.1%	48,325	14.6%	-10,824	-22.4%
Third Party Software	1,798	0.6%	7,186	2.2%	-5,388	-75.0%
Proprietary Hardware	777	0.2%	1,795	0.5%	-1,018	-56.7%
Third Party Hardware	2,125	0.6%	2,809	0.8%	-684	-24.4%
Others	15,844	4.7%	10,775	3.3%	5,069	47.0%
Total	337,367	100.0%	330,966	100.0%	6,401	1.9%

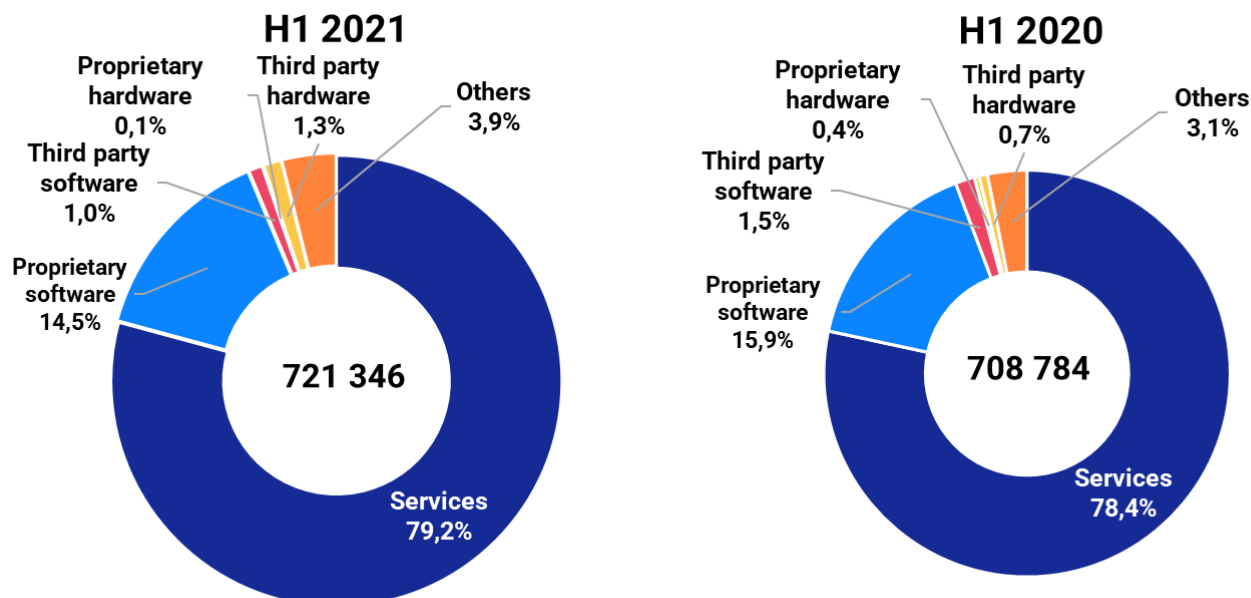
In the second quarter of 2021, sales revenue of IT services increased by PLN 19,246 thousand. PLN, i.e. by 7.4%. Sales revenue of proprietary software decreased by PLN 10,824 thousand and amounted to PLN 37,501 thousand. The sale of own finished products also recorded a decrease compared to the second quarter of 2020, it amounted to PLN 1,018 thousand, i.e. 56.7% less. Sales revenue of third-party software decreased by PLN 5,388 thousand, i.e. by 75.0%. A slight decrease was also recorded in sales of third-party hardware, which were

lower by 684 thousand, i.e. by 24.4%. In the second quarter of 2021, other sales increased by PLN 5,069 thousand, i.e. by 47.0%, which was the result of an increase in sales of medical and telemedicine services.



Products Sales Structure	Q2 2021	%	Q2 2020	%	Change (in PLN)	Change (%)
IT Services	571,413	79.2%	555,393	78.4%	16,020	2.9%
Proprietary Software	104,365	14.5%	112,875	15.9%	-8,510	-7.5%
Third Party Software	7,434	1.0%	10,973	1.5%	-3,539	-32.3%
Proprietary Hardware	1,091	0.1%	2,633	0.4%	-1,542	-58.6%
Third Party Hardware	9,208	1.3%	4,742	0.7%	4,466	94.2%
Others	27,835	3.9%	22,168	3.1%	5,667	25.6%
Total	721,346	100.0%	708,784	100.0%	12,562	1.8%

In the first half of 2021, products sales structure did not change significantly compared to the structure characteristic for the first half of 2020. Revenue from sales of IT services increased by PLN 16,020 thousand, i.e. by 2.9%. Revenue from sales of proprietary software recorded a decrease in amount of PLN 8,510 thousand, i.e. of 7.5%. There was a decrease in the sale of proprietary hardware by PLN 1,542 thousand, i.e. 58.6% and in the case of sale of third-party software - by PLN 3,539 thousand. Revenue from sales of third-party hardware increased by PLN 4,466 thousand, i.e. by 94.2%. In H1 2021 other sales increased by PLN 5,667 thousand, i.e. by 25.6%.



5. 5. Factors Essential for Development of the Capital Group

5.1. Internal Factors

- a high degree of diversification of the conducted activity, both in terms of industry, geography and products;
- Steady increase in export sales and significance of foreign sales;
- Position and reputation of the Company affecting the nature of clients acquired;
- Commercial operations of Comarch S.A. in the special economic zone in Krakow;
- Significant share of standard (repetitive) products offered for sale, which means:
 - lower costs, especially variable costs related to a single contract,
 - the possibility of significant increase in profitability of a single contract with simultaneous reduction in charges for clients (license fees),
 - broader and more diversified circle of clients, which means a broader scale of activities,
- f) Attractive training policy and attractive work conditions offered for employees of the Company;
- g) Increasing awareness of the Comarch brand among prospective clients by promotion managed through marketing campaigns, including sports marketing (MKS Cracovia SSA);
- h) Necessity of continuous investment in human resources to maintain the Company's competitive edge in following years;
- i) High levels of investment expenditure designated for research and development activity and development of new products and IT services;
- j) High level of investment expenditure designated for the development of production sources in Poland (material investment) and for expansion on foreign markets (capital investment);
- k) The need to adapt the company's work organisation to operate under the Covid-19 epidemic.

5.2. External Factors

- Enhanced requirements from clients for IT systems. There is an increase in demand for large, complex IT systems dedicated for specific users. This gives advantage to large IT companies such as Comarch S.A.,

which offer a number of different technologies and products and which are able to provide technologically advanced solutions;

- b) Increased significance of mobile technologies broadly used in IT solutions for all groups of customers;
- c) Change in business models in many branches as well as change in business strategies of many companies related to technological progress and economic growth, which shape the demand for new IT systems, broadening software sales in the cloud computing model means an increase in capital and resources requirements for IT companies;
- d) An access of Polish companies to resources from structural funds related to Polish membership in European Union that will be dedicated in part to develop IT systems and finance research and development works;
- e) Growing competition, causing decrease in achieved margins; competition between IT companies;
- f) Continued pressure on increase in remuneration in IT sector; number of graduates from technical universities having IT skills decreases;
- g) Growing competition on the local labour market in IT sector in Krakow and other locations where the Company conducts its business;
- h) The international economic situation, taking into particular consideration the situation on financial markets that effects levels of demand for products and IT services;
- i) Exchange rate levels fluctuations, especially EUR/PLN, USD/PLN, GBP/PLN, CAD/PLN, CHF/EUR, BRL/PLN, NZD/PLN, RUB/PLN, UAH/PLN and AED/PLN, which affect the profitability of export sales
- j) the economic situation in the world, with particular emphasis on the situation in Europe, which affects the demand for IT products and services on this market and the financial credibility of customers from this geographical region,
- k) the epidemiological situation in the world related to the spread of the SARS-CoV-2 coronavirus and COVID-19 cases, which affects the Group's business activities, the way work and contacts with customers are organized, the health condition of employees, and also affects the situation of customers the Comarch Group and the demand it generates for IT products and services.

6. Other Significant Factors, including Risks and Threats

The Comarch Group is exposed to the following main types of financial risk:

6.1. Credit Risk

The Comarch Group analyses the financial credibility of potential customers before concluding contracts for the supply of IT systems and, depending on the assessment of the financial standing, adjusts the terms of each contract to the potential risk. Concentration of credit risk is limited due to diversification of the Comarch sales to a significant number of customers in different branch of economy, in different world's regions.

6.2. Risk of Change in Interest Rates

The Comarch Group is exposed to the risk of changes in interest rates related to cash and cash equivalents, as well as long-term investment credits to finance the construction of new production buildings in the Special Economic Zone in Krakow. These are credits at variable interest rates based on the WIBOR and EURIBOR index. The Comarch Group has been hedging this interest rate risk using IRS contracts and it continuously monitors market situation in this scope. The influence of interest rate changes on the amount of interest on credit paid is partly compensated for by a change in the amount of interest received on cash held.

6.3. Risk of Fluctuation in the Exchange Rates

The Comarch Group is exposed to foreign exchange risk in relation to export sales and sales denominated in foreign currencies, especially in relation to foreign exchange of EUR/PLN, USD/PLN, GBP/PLN, CAD/PLN,

NZD/PLN and BRL/PLN. At the same time, part of the costs and liabilities of the Comarch Group is also expressed in, or related to the exchange rate of foreign currencies. In individual cases, the Parent Company hedges future payments with forward contracts, as well as tries to use natural hedging through adjusting structures of assets, liabilities and equity denominated in foreign currencies (for example by raising credit liabilities in EUR). The balance sheet value of assets and financial liabilities of the Comarch Group denominated in foreign currencies is related to trade receivables and liabilities, investment loan liabilities and cash.

6.4. Financial Liquidity Risk

The Comarch Group has a liquidity risk management system to manage its short, medium and long-term funds. The fundamental financial liquidity risk arises because the majority of costs incurred by the Comarch Group are fixed, while revenue from sales, as is typical for a services Company, fluctuates. The Comarch Group manages liquidity risk by holding the appropriate amount of working capital, by holding reserve credit lines in the current account, by constantly monitoring the forecasted and actual cash flows and by analysing the maturity profiles of financial assets and liabilities.

7. Perspectives of Development in the Company and Anticipated Financial Situation in 2021

In the first half of 2021, demand for the Comarch Group's services and IT solutions increased, with changes in its structure. The Comarch Group recorded a significant increase in demand for solutions for the Telecommunications, Medical and ERP products sectors, with a simultaneous decline in sales to the Trade and Services, Financial and Banking and Public sectors. The Comarch Group's backlog currently ensures full use of its production capacity in several subsequent periods.

In terms of revenue from sales, there was a temporary decrease in revenue from the sale of services and products in industries negatively affected by lockdowns (including trade and services, sports activities), but there was also an increase in revenue in sectors benefiting from this situation (e.g., telecommunications, e-commerce, logistics, telemedicine, medical services). The financial results achieved in the coming periods will be influenced by the time and scope of the epidemic, the presence of administrative restrictions in the functioning of countries and entrepreneurs, the possibility of using aid packages launched by individual countries, the pace of implementation of the preventive vaccination program, as well as exchange rate volatility and the financial condition of the Comarch Group's clients. Comarch's activities and financial results in 2021 will also be influenced by the development of the political and economic situation in Poland and in the world, as well as the situation on the labour market, including the popularization of the remote and hybrid work model. Thanks to the strategy of positioning itself on the market as a technology and product company, which has been consistently implemented for many years, Comarch's offer is very well diversified. The group of clients is constantly expanding, and a significant part of them are international companies, which allows the company to continue developing. Dynamically developing activity of Comarch Group in international markets additionally increases sales volume and enhance the image of Comarch among international corporations, thus strengthening the competitive position of Comarch. It also means the need to make numerous capital investment abroad Poland (principally through the establishment of foreign subsidiaries). Execution of Comarch strategy largely depends on macroeconomic conditions, beyond the Comarch, especially on the level of IT investments by medium-size and large companies in Poland and abroad and on the fact that competition in the IT sector and labour market becomes more and more fierce. At the same time, effective management of operational risks is the necessary condition for execution of the strategy. An opportunity for the Group is its high innovativeness and growth in demand for delivery of IT solutions in a service model - Comarch Group thanks to

the wide range of its own products, owned infrastructure and human and capital resources can flexibly adapt to business models expected by customers.

The most important risk related to the Company's operations include:

- risks associated with R&D works (production of proprietary software products);
- risks related to implementation of long-term contracts;
- risks related to failure to meet contract terms and conditions and contractors taking advantage of the provided performance guarantees, important especially in the case of large contracts executed on the public procurement market;
- risk of foreign legal and political environment related to execution of export contracts;
- the credit risk related to the sale with deferred payment, and frequently with a long period of execution of contracts;
- risk of employees' rotation, and risk of a lack of possibility to hire the appropriate number of qualified employees, the risk of increased labour costs;
- the risk of fluctuations in exchange rates and interest rates;
- the risk related to the spread of SARS-CoV-2 coronavirus and COVID-19, which affects the ability of the Group to conduct business, as well as the financial condition of the Group's customers and the demand generated by them for IT products and services.

The Comarch Group does not expect any significant changes in its financial situation or in terms of the risk associated with its activities.

8. Financial Analysis

Balance Sheet - Assets	30 June 2021	%	31 December 2020	%	Change (in PLN)	Change (%)
NON-CURRENT ASSETS						
Property, plant and equipment	572,368	28.4	582,158	29.0	-9,790	-1.7
Right of use assets	85,113	4.2	88,222	4.4	-3,109	-3.5
Investment real estates	39,024	1.9	39,874	2.0	-850	-2.1
Goodwill	45,774	2.3	45,774	2.3	0	0.0
Other intangible assets	53,704	2.7	55,528	2.8	-1,824	-3.3
Non-current prepayments	899	0.0	1,298	0.1	-399	-30.7
Investment in associates	-	-	-	-	-	-
Other assets at fair value	2,305	0.1	597	0.0	1,708	286.1
Other investment	216	0.0	216	0.0	0	0.0
Deferred income tax assets	33,084	1.6	35,864	1.8	-2,780	-7.8
Other receivables	2,775	0.1	7,042	0.4	-4,267	-60.6
	835,262	41.3	856,573	42.8	-21,311	-2.5
CURRENT ASSETS						
Inventories	102,045	5.0	88,115	4.4	13,930	15.8
Trade and other receivables	354,789	17.5	429,858	21.4	-75,069	-17.5
Current income tax receivables	6,739	0.3	1,430	0.1	5,309	371.3
Long-term contracts receivables	173,482	8.6	157,441	7.9	16,041	10.2
Available-for-sale financial assets	100,140	4.9	20,001	1.0	80,139	400.7
Other financial assets at fair value – derivative financial instruments	3,009	0.1	2,119	0.1	890	42.0
Stock or shares	448,752	22.3	448,021	22.3	731	0.2
	1,188,956	58.7	1,146,985	57.2	41,971	3.7
Total assets	2,024,218	100.0	2,003,558	100.0	20,660	1.0

The value of the Comarch Group's assets increased by PLN 20,660 thousand, i.e. by 1.0% since the beginning of 2021 and amounted to PLN 2,024,218 thousand, while the value of non-current assets has decreased by PLN 21,311 thousand and the value of current assets has increased by PLN 41,971 thousand. The following items had the greatest impact on the decrease in non-current assets: a) property, plant and equipment, a decrease by PLN 9,790 thousand, i.e. by 1.7%, resulted from the redemption of property, plant and equipment in use and b) other receivables, a decrease by PLN 4,267 thousand, i.e. by 60.6%. The value of an asset due to the right of use also decreased by PLN 3,109 thousand, i.e. by 3.5%, deferred income tax assets by PLN 2,780 thousand, i.e. by 7.8% and the value of other intangible assets by 1,824 thousand, i.e. 3.3%. As regards non-current assets, an increase in value was recorded in the other financial assets at fair value by PLN 1,708 thousand, i.e. 286.1%.

As part of current assets, the value of trade receivables decreased to PLN 354,789 thousand versus PLN 429,858 thousand at the end of 2020, which is related to a seasonal decline in the value of this balance sheet item, typical for the conducted activity. The values of other current assets items increased. The greatest increase was recorded in the value of financial assets available for sale that is an increase of PLN 80,139 thousand, i.e. of 400.7%, which is related to investments in participation units in investment funds made by the parent company. The value of revenue due to long-term contracts also increased by PLN 16,041 thousand, i.e. by 10.2% and inventories by PLN 13,930 thousand, i.e. by 15.8%. The value of receivables due to the current income tax increased by PLN 5,309 thousand, i.e. by 371.3%. Cash and cash equivalents and the value of other financial assets remained at a similar level compared to the end of 2020.

Total equity and liabilities	30 June 2021	%	31 December 2020	%	Change (in PLN)	Change (%)
Capital attributable to the Company's shareholders						
Share capital	8,133	0.4	8,133	0.4	0	0.0
Reserve capital from the sale of shares above their nominal value	84,446	4.2	84,446	4.2	0	0.0
Other capitals	58,595	2.9	58,595	2.9	0	0.0
Exchange differences	26,995	1.3	29,653	1.5	-2,658	-9.0
Earnings/(losses) from the previous years and net profit for the current period	928,045	45.8	899,212	44.9	28,833	3.2
	1,106,214	54.6	1,080,039	53.9	26,175	2.4
Minority interest	15,101	0.7	18,508	0.9	-3,407	-18.4
Total equity	1,121,315	55.4	1,098,547	54.8	22,768	2.1
Liabilities						
Non-current liabilities						
Credit and loans	122,047	6.0	116,760	5.8	5,287	4.5
Other liabilities	578	0.0	6,305	0.3	-5,727	-90.8
Liabilities due to lease	69,492	3.5	75,145	3.8	-5,653	-7.5
Financial liabilities at fair value – derivative financial instruments	2,607	0.1	5,639	0.3	-3,032	-53.8
Provision for deferred income tax	48,995	2.5	46,778	2.3	2,217	4.7
Provisions for other liabilities and charges	2,280	0.1	1,803	0.1	477	26.5
	245,999	12.2	252,430	12.6	-6,431	-2.5
Current liabilities						
Trade and other liabilities	231,641	11.4	216,128	10.7	15,513	7.2
Current income tax liabilities	25,070	1.2	24,794	1.2	276	1.1

Long-term contracts liabilities	143,187	7.1	147,651	7.4	-4,464	-3.0
Credit and loans	42,852	2.1	40,176	2.0	2,676	6.7
Liabilities due to lease	19,700	1.0	19,142	1.0	558	2.9
Financial liabilities at fair value – derivative financial instruments	395	0.0	3,820	0.2	-3,425	-89.7
Other financial liabilities	29,824	1.5	5,249	0.3	24,575	468.2
Provisions for other liabilities and charges	164,235	8.1	195,621	9.8	-31,386	-16.0
	656,904	32.4	652,581	32.6	4,323	0.7
Total liabilities and charges	902,903	44.6	905,011	45.2	-2,108	-0.2
Total equity and liabilities	2,024,218	100.0	2,003,558	100.0	20,660	1.0

Increase in liabilities of PLN 20,660 thousand, i.e. of 1.0% compared to the end of 2020, is mainly the result of an increase in equity of PLN 22,768 thousand, i.e. 2.1%, thanks to the achievement of a high result for the current period, exceeding the value of dividend payments. The total value of liabilities decreased slightly, i.e. by PLN 2,108 thousand. The value of long-term liabilities decreased by PLN 6,431 thousand, i.e. by 2.5% compared to the end of 2020. The value of other liabilities decreased by PLN 5,727 thousand, i.e. 90.8%, liabilities from leasing by PLN 5,653 thousand, i.e. 7.5%, and the value of derivative instruments by PLN 3,032 thousand, i.e. 53.8%. Other values of long-term liabilities items increased. The greatest increase was recorded in long-term loans and credits, of PLN 5,287 thousand, i.e. of 4.5% and in provisions for deferred income tax of PLN 2,217 thousand, i.e. of 4.7%. Provisions for other liabilities and charges increased by PLN 477 thousand, i.e. by 26.5%. As part of short-term liabilities, the value of trade and other liabilities increased by PLN 15,513 thousand, i.e. by 7.2%. A significant increase was recorded in the value of other financial liabilities of PLN 24,575 thousand, i.e. of 468.2%, which is related to the planned by Comarch S.A. payment of dividends. The value of short-term loans and borrowings increased by PLN 2,676 thousand, i.e. by 6.7% compared to the end of 2020. The value of current income tax liabilities and the value of lease liabilities remained at the level from the end of 2020, while the value of financial liabilities measured at fair value decreased by PLN 3,425 thousand, i.e. 89.7%. There was a decrease in provisions for other liabilities and charges of PLN 31,386 thousand, i.e. of 16.0% and in the case of invoiced revenue related to long-term contracts of PLN 4,464 thousand, i.e. of 3.0%.

Debt analysis	30 June 2021	31 December 2020
Debt ratio	8.1%	7.8%
Debt/equity ratio	14.9%	14.5%

Financial debt ratios in the first half of 2021 slightly increased as a result of the higher rate of debt growth in relation to the increase in the value of assets. The Group is financed with own funds in 55.4% and with external capital in 44.6%.

	6 months ended 30 June 2021	6 months ended 30 June 2020	Change	Change %
Revenue	721,346	708,784	12,562	1,8
Cost of sales	-528,340	-514,716	-13,624	2,6
Gross profit	193,006	194,068	-1,062	-0,5
Other operating income	10,922	14,618	-3,696	-25,3
Sales and marketing costs	-64,756	-61,502	-3,254	5,3
Administrative expenses	-54,060	-57,418	3,358	-5,8
Other operating expenses	-20,265	-17,983	-2,282	12,7
Operating result	64,847	71,783	-6,936	-9,7
Finance revenue -net	11,174	-14,886	26,060	-175,1
Share of profit / (loss) of associates	1	-	1	100,0
Profit before income tax	76,022	56,897	19,125	33,6
Income tax expense	-24,847	-22,776	-2,071	9,1
Net profit for the period	51,175	34,121	17,054	50,0
<i>Net profit attributable to the shareholders of the parent company</i>	54,583	34,519	20,064	58,1
<i>Net profit attributable to interests not entitled to control</i>	-3,408	-398	-3,010	756,3

In the first half of 2021, the Comarch Group's sales revenue were higher by PLN 12,562 thousand, i.e. by 1.8% compared to the first half of the previous year. The operating result amounted to PLN 64,847 thousand, which was lower by 6,936 thousand, i.e. by 9.7% than that achieved in the first half of 2020. The realized exchange differences and the balance sheet valuation of exchange differences on receivables and liabilities as at the 30th of June, 2021 contributed to the decrease in revenue and operating result of the Comarch Group of PLN 1,273 thousand, while in the first half of 2020 they decreased it by PLN 4,891 thousand.

Other operating income in the first half of 2021 amounted to PLN 10,922 thousand, among others, as a result of the reversal of revaluation write-offs for doubtful debts and provisions for claims. In the first half of 2020, other operating revenue amounted to PLN 14,618 thousand and were achieved, among others, as a result of the reversal of revaluation write-offs for doubtful debts and provisions for claims. Other operating costs in the first half of 2021 amounted to PLN 20,265 thousand, among others, as a result of recognizing impairment losses on doubtful debts and provisions for claims, while in the first half of 2020 their value was PLN 17,983 thousand.

In the first half of 2021, the Group recorded a positive result on financial activities in the amount of PLN 11,174 thousand as a result of the strengthening of PLN against the main foreign currencies, while in the first half of 2020 this result was negative and amounted to - PLN 14,886 thousand.

Profitability analysis	6 months ended 30 June 2021	6 months ended 30 June 2020
Margin on sales	26.8%	27.4%
EBIT margin	9.0%	10.1%
Gross margin	10.5%	8.0%
Net margin	7.6%	4.9%

The activity of the Comarch Group in the first half of 2021 was profitable. The sales margin and operating profitability were slightly lower than in the first half of 2020. Gross and net profitability achieved higher results than in the previous year.

The results achieved by the Comarch Group in the first half of 2021 were influenced, among others, by:

- a significant increase in sales in Asia and in the region of Australia and Oceania (mainly in the field of telecommunications solutions), with a simultaneous decrease in sales on European markets (especially in the field of solutions for the financial and commercial and service sectors), which resulted in a decrease in revenue from foreign sales of PLN 8,146 thousand (i.e. 1.9%). In the first half of 2021, foreign sales accounted for 59.1% of the Group's total revenue,
- increase in domestic sales of 20,708 thousand, i.e. of 7.5%, which was mainly the result of better sales of ERP solutions for small and medium-sized enterprises,
- occurrence of negative exchange rate differences from the balance sheet valuation of trade receivables, related to the strengthening of the PLN exchange rate against foreign currencies in the first half of 2021, which decreased sales revenue and operating result in the described period by PLN 4,252 thousand,
- occurrence of positive exchange rate differences from the balance sheet valuation of trade liabilities related to the strengthening of the PLN, BRL, ARS exchange rates against foreign currencies in the first half of 2021, which increased the operating result in the described period by PLN 2,979 thousand,
- positive balance sheet valuation of financial instruments, credits and loans taken in foreign currencies as well as lease liabilities valued in accordance with IFRS 16, the value of which in the described period amounted to PLN 9,182 thousand,
- an increase in operating costs, resulting from the wage pressure in the IT sector, as well as the introduction of PPK contributions - the basic salary fund in the Comarch Group increased by 6.9% in the reporting period compared to the first half of 2020,
- current income tax, which was the result of high profitability of the Comarch Group companies in Poland and Germany, its value in the first half of 2021 was PLN 19,850 thousand,
- creation and release of write-offs for doubtful trade receivables, which decreased the operating result of the Comarch Group by PLN 2,426 thousand,
- application of the IFRS 15 accounting standard, as a result of which a part of the revenue from the sales of Comarch software licenses is settled over time, in accordance with the stage of project implementation. The value of this adjustment in the first half of 2021 amounted to PLN 1,883 thousand,
- the application of the IFRS 16 accounting standard in 2021 resulted in the depreciation, and thus the value of EBITDA, was increased in the first half of 2021 by PLN 10,742 thousand.

The costs of implementing new contracts, the situation on the public procurement market, costs related to the development of new IT solutions, as well as rapidly growing labour costs will have a significant impact on the financial result of the Comarch Group in subsequent periods. In the first half of 2021, employment in the Comarch Group decreased by 2.4%. As at the 30th of June, 2021, the Comarch Group employed 6,306 people, i.e. 156 people less than as at the 31st of December, 2020.

The Comarch Group is actively looking for new markets (including Western Europe and Asia), adjusts the scale of operations in some markets to the current business and macroeconomic conditions (including South America), continues to invest in new IT products and services, as well as constantly expands and modernize the existing infrastructure. Thanks to the very good financial results achieved in the first half of 2021, the financial situation of the Comarch Group is very good and guarantees security of operations in the event of a

changing macroeconomic situation in Poland and in the world. The Group consciously incurs the costs of developing new products and new business segments, as well as expanding operations in new foreign markets, thus investing in building a competitive advantage for the future.

In subsequent periods, the Group intends to continue the strategy assuming:

- significant investment in human capital
- development and sales of IT solutions mostly based on proprietary products,
- development of sales on foreign markets, in particular in Western Europe and Asia,
- constant improvement of operational efficiency of operations by improving procedures and rationalizing costs,
- developing new business areas, especially in the field of medicine, e-commerce and the Internet of Things (IoT),
- promoting the services model of IT sales,
- investments in own IT technologies, including cloud computing.

Liquidity analysis	30 June 2021	31 December 2020
Current ratio	1,8	1,8
Quick ratio	1,4	1,4
Cash to current liabilities ratio	0,8	0,7

In the first half of 2021, as in previous years, the Comarch Group had very good financial liquidity. In the opinion of the Management Board, the Comarch Group has no problems with meeting its obligations on time, and the Group invests temporarily free funds in safe financial instruments (bank deposits).

Turnover analysis	30 June 2021	31 December 2020
Current assets turnover ratio	0.6	1.3
Receivable turnover ratio (days)	90.2	101
Inventories turnover ratio (days)	95	64
Liabilities turnover ratio (days)	221	195
Liabilities turnover excluding liabilities due to investment credit ratio (days)	209	192

Turnover ratios confirm the effective use of the Comarch Group's resources. There was an improvement in the management of receivables and an increase in financing with a trade loan, without adversely affecting the timely payment of liabilities. The efficiency of stock management decreased slightly.

Methods of Calculation of Financial Ratios

Debt Ratios

$$\text{Debt Ratio} = \frac{\text{Credits and Loans}}{\text{Total Assets}}$$

$$\text{Debt/Equity Ratio} = \frac{\text{Credits and Loans}}{\text{Equity attributable to Shareholders}}$$

Profitability Ratios

$$\text{Margin on Sales} = \frac{\text{Gross Profit}}{\text{Revenue}}$$

$$\text{EBIT Margin} = \frac{\text{Operating profit}}{\text{Revenue}}$$

$$\text{Gross Margin} = \frac{\text{Profit before Income Tax}}{\text{Revenue}}$$

$$\begin{array}{l} \text{Margin on Sales} \\ \text{(profit attributable to shareholders)} \end{array} = \frac{\text{Net Profit attributable to Shareholders}}{\text{Revenue}}$$

Liquidity Ratios

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

$$\begin{array}{l} \text{Quick Ratio} \\ \text{= } \end{array} \frac{\begin{array}{l} \text{Trade and Other Receivables+} \\ \text{+Cash and Cash Equivalents+} \\ \text{+Available-for-Sale Assets +} \\ \text{+Stock or Shares} \end{array}}{\text{Current Liabilities}}$$

$$\text{Cash to Current Liabilities Ratio} = \frac{\text{Cash and Cash Equivalents and Available-for-Sale Assets}}{\text{Current Liabilities}}$$

Turnover Ratios

$$\text{Current Assets Turnover Ratio} = \frac{\text{Revenue}}{\text{Current Assets}}$$

$$\text{Receivables Turnover Ratio (days)} = \frac{(\text{Trade and Other Receivables}) * 180}{\text{Revenue}}$$

$$\text{Inventories Turnover Ratio (days)} = \frac{(\text{Inventories} - \text{Work in progress}) * 180}{\text{Costs of Sold Goods and Materials}}$$

Liabilities

$$\text{Liabilities Turnover Ratio (days)} = \frac{*180}{\begin{aligned} &\text{Sales and Marketing Costs} + \\ &+ \text{Administrative Expenses} + \\ &+ \text{Other Operating Expenses} + \\ &+ \text{Costs of Sold Products.} \\ &\text{Services. Goods and Materials} \end{aligned}}$$

$$\begin{aligned} &\text{Liabilities Turnover Ratio} \\ &\text{excluding} \\ &\text{Liabilities due to} \\ &\text{Bonds and Investment Credit (days)} \end{aligned} = \frac{(\text{Liabilities} - \text{Credits and Loans}) * 180}{\begin{aligned} &\text{Sales and Marketing Costs} + \\ &+ \text{Administrative Expenses} + \\ &+ \text{Other Operating Expenses} + \\ &+ \text{Costs of Sold Products.} \\ &\text{Services. Goods and Materials} \end{aligned}}$$

9. Credits, Loans, Suretyships, Bank Guarantees and Significant Off-balance Sheet positions

9.1. Non-Revolving Credits and Loans

Debtor	Financial Institution	Total amount of credit/loan according to the agreement		Amount to be paid as at the balance sheet date				Interest conditions	Repayment date	Securities
		Value	Currency	Value	Currency	Value	Currency			
Comarch S.A.	BNP Paribas Bank Polska S.A.	44,000	PLN	2,003	EUR	9,054	PLN	EURIBOR1M + bank margin	29 th of July, 2024	mortgage on the SSE4 building, assignment of rights from the building's insurance policy, blank promissory note, declaration on submission to enforcement
office buildings SSE4 in Krakow				(2,309 as at 31 st of December, 2020)		(10,655 as at 31 st of December, 2020)		IRS till the 29 th of July, 2024		
Comarch S.A.	Powszechna Kasa Oszczędności Bank Polski S.A.	4,126	EUR	129	EUR	583	PLN	EURIBOR1M + bank margin	29 th of September, 2021	mortgage on the SSE5 building, assignment of rights from the building's insurance policy, blank promissory note, declaration on submission to enforcement
office buildings SSE5 in Krakow - refinancing				(387 ma 31 st of December, 2020)		(1,784 as at 31 st of December, 2020)				
Comarch S.A.	Bank Polska Kasa Opieki S.A.	13,323	EUR	4,022	EUR	18,182	PLN	EURIBOR1M + bank margin	30 th of November, 2023	mortgage on the SSE6 building, assignment of rights from the building's insurance policy, assignment of rights from the guarantee of due performance and guarantee of the warranty, declaration on submission to enforcement
office buildings SSE6 in Krakow				(4,848 as at 31 st of December, 2020)		(22,372 as at 31 st of December, 2020)		IRS till the 30 th of November, 2023		
Comarch S.A.	Bank Handlowy w Warszawie S.A.	13,333	EUR	10,550	EUR	47,692	PLN	EURIBOR1M + bank margin	29 th of February, 2028	mortgage on the SSE7 building, assignment of rights from the building insurance policy, declaration on submission to enforcement
office buildings SSE7 in Krakow				(11,340 as at 31 st of December, 2020)		(52,330 as at 31 st of December, 2020)				
Comarch S.A.	DNB Bank Polska S.A.	2,531	EUR	875	EUR	3,958	PLN	EURIBOR1M + bank margin	30 th of December, 2023	registered pledge on fixed assets being the subject of financing, assignment of rights under the insurance policy for financed fixed assets, declaration on submission to enforcement
Property, plant and equipment in use - equipment of Internet of Things				(1,050 as at 31 st of December, 2020)		(4,848 as at 31 st of December, 2020)				

laboratory in Krakow										
Bonus Development sp. z o.o. SK-A	Bank Polska Kasa Opieki S.A.	9,262	EUR	5,722	EUR	25,866	PLN	EURIBOR1M + bank margin	31 st of May, 2030	mortgage on an office building in Łódź, a statement by Bonus Development Sp. z o.o. SK-A on submission to enforcement, assignment of rights from the insurance policy of an office building in Łódź, assignment of rights from the guarantee of due performance and warranty guarantee, assignment of rights under the lease of the financed property concluded with Comarch SA, surety from Comarch SA, declaration on submission to enforcement Comarch SA.
Office buildings in Lodz				(6,041 as at 31 st of December, 2020)		(27,878 as at 31 st of December, 2020)				
Comarch S.A.S, Comarch S.A.	BNP Paribas Bank Polska S.A.	8,000	EUR	2,945	EUR	13,314	PLN	EURIBOR3M + bank margin	18 th of September, 2023	mortgage on the second place on the estate Comarch S.A. (Krakow, Michał Życzkowski Street 23, building SSE4), statement by Comarch S.A. on submission to enforcement, assignment of rights from the insurance policy
Data Centre in Lille in France				(3,600 as at 31 st of December, 2020)		(16,613 as at 31 st of December, 2020)				
Comarch S.A.	CaixaBank S.A. Oddział w Polsce (branch in Poland)	3,500	EUR	2,100	EUR	9,495	PLN	EURIBOR1M + bank margin	23 rd of August, 2023	Declaration of submission to enforcement
Comarch infrastructure modernization program				(2,567 as at 31 st of December, 2020)		(11,843 as at 31 st of December, 2020)				
Comarch S.A.	CaixaBank S.A. Oddział w Polsce (branch in Poland)	2,300	EUR	2,299	EUR	10,391	PLN	EURIBOR1M + bank margin	29 th of June, 2025	Declaration of submission to enforcement
Comarch infrastructure modernization program				(437 as at 31 st of December, 2020)		(2,018 as at 31 st of December, 2020)				
Comarch S.A.	IBM Global Financing Polska sp. z o.o.	12,980	PLN			985	PLN	fixed	1 st of March, 2022	-

Delivery of IT equipment related to IT project realized by the Comarch Group						(2,142 as at 31 st of December, 2020)				
Comarch Polska S.A.						830				
Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska sp. z o.o.	3,475	PLN			(1,274 as at 31 st of December, 2020)	PLN	fixed	1 st of May, 2022	Comarch S.A. surety
Comarch S.A.						776				
Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska sp. z o.o.	3,139	PLN			(1,193 as at 31 st of December, 2020)	PLN	fixed	1 st of May, 2022	-
Comarch S.A.						684				
Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska sp. z o.o.	1,825	PLN			(1,140 as at 31 st of December, 2020)	PLN	fixed	1 st of March, 2022	-
Comarch S.A.						1,698				
Delivery of IT equipment related to IT project realized by the Comarch Group	IBM Global Financing Polska sp. z o.o.	2,145	PLN			(0 as at 31 st of December, 2020)	PLN	fixed	1 st of February, 2023	-
Comarch S.A.	PKO Leasing S.A.	5,000	EUR	4,702		21,257	PLN	EURIBOR1M + margin	29.02.2028	a blank promissory note, registered pledge on the Subject of Financing, transfer of ownership to secure the

Property, plant and equipment in use				(0 as at 31 st of December, 2020)		(0 as at 31 st of December, 2020)				Subject of Financing
CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)	CAISSE D'EPARGNE	30	EUR	0	EUR	0	PLN	fixed	5 th of February, 2023	-
Financing operating activities				(24 as at 31 st of December, 2020)		(79 as at 31 st of December, 2020)				
CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)	CAISSE D'EPARGNE	51	EUR	0	EUR	0	PLN	fixed	5 th of December, 2021	-
Financing operating activities				(21 as at 31 st of December, 2020)		(100 as at 31 st of December, 2020)				
CABINET CONSEIL EN STRATEGIE INFORMATIQUE S.A.S. (2CSI)	HSBC	200	EUR	30	EUR	134	PLN	fixed	1 st of January, 2022	surety
Financing operating activities				(63 as at 31 st of December, 2020)		(254 as at 31 st of December, 2020)				

9.2. Current Credit Lines

The companies of the Comarch Group have the following revolving credits in the current account:

Debtor	Financial Institution	Total amount of credit/loan according to the agreement		Amount to be paid as at the balance sheet date				Interest conditions	Repayment date	Securities
		Value	Currency	Value	Currency	Value	Currency			
Comarch S.A.	BNP Paribas Bank Polska S.A.	20,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	17 th of December, 2021	a blank promissory note
Financing operating activities										
Comarch S.A.	Bank Polska Kasa Opieki S.A.	30,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	30 th of June, 2021	declaration of submission to enforcement
Financing operating activities										
Comarch S.A.	CaixaBank S.A. Oddział w Polsce (branch in Poland)	30,000	PLN	0	PLN	0	PLN	WIBOR1M + bank margin	30 th of June, 2021	declaration of submission to enforcement
Financing operating activities										

	30 June 2021	31 December 2020
Credit lines in the current account and revolving credits, including:	80,000	80,923
Used at the balance sheet date	-	413
Available at the balance sheet date	80,000	80,510

9.3. Loans Granted

9.3.1. Loans Granted to Members of the Management Board and Members of the Supervisory Board

As at 30th of June, 2021, there are no unpaid loans to managing and supervising persons. As at the date of publication of the report for the first half of 2021, there are no unpaid loans to members of the management board and supervisory bodies.

9.3.2. Loans Granted to Employees of Comarch Group

As at 30th of June, 2021, there are no unpaid loans, as well as guarantees and sureties granted by Comarch Group companies to the employees. As at the date of publication of the report for the first half of 2021, there are no unpaid loans, as well as guarantees and sureties granted by Comarch Group Comarch Group companies to the employees.

9.4. Suretyships

- Due to the conclusion by Comarch Inc., a subsidiary of Comarch S.A., a contract with the client for the implementation, hosting and maintenance of the loyalty system, on the 28th of April, 2011, Comarch S.A. granted suretyship for the client for the obligations of Comarch Inc. The suretyship was granted up to the amount of PLN 3,000 thousand and is valid for the duration of the contract.
- In connection with the conclusion by Comarch Healthcare S.A., a subsidiary of Comarch S.A., an investment loan agreement with Bank Pekao S.A., on the basis of which Bank Pekao S.A. granted financing to Comarch Healthcare S.A. in the amount of PLN 15,889 thousand, on the 1st of September, 2011, Comarch S.A. granted a suretyship for the obligations of a subsidiary Comarch Healthcare S.A. resulting from the above agreement. The suretyship was granted up to the amount of PLN 23,833 thousand and is valid until the 31st of December, 2021.
- Due to the conclusion by Comarch UK, a subsidiary of Comarch S.A., a contract with one of the clients for the implementation and maintenance of the BSS system, Comarch S.A. granted a suretyship for the obligations of Comarch UK. The suretyship was granted up to the amount of Comarch UK's obligations resulting from the above agreement, i.e. up to the amount of GBP 808 thousand and an additional GBP 86 thousand per year for the SLA service and is valid for the duration of the contract.
- Due to the conclusion by Comarch AG, a subsidiary of Comarch S.A., a contract with one of the clients for the implementation of Next Generation Performance Management Solution, Comarch S.A. granted suretyship for the obligations of Comarch AG resulting from the contract. The suretyship was granted up to the amount of EUR 3,823 thousand and is valid for the entire duration of the contract.
- Due to the conclusion by Comarch AG, a subsidiary of Comarch S.A., a contract with one of the clients for the implementation of Planning and Inventory Application (PIA), a letter of comfort was signed by Comarch S.A. in which Comarch S.A. undertakes to ensure the proper performance of the contract by Comarch AG.

The letter of comfort is valid for 24 months from the end of the contract, the contract value is EUR 3,505 thousand.

- f) Due to the conclusion by Comarch UK, a subsidiary of Comarch S.A., a contract with the client for the implementation of Comarch Loyalty Management, a suretyship for the client for the obligations of Comarch UK was granted by Comarch S.A. The suretyship was granted up to the amount of GBP 2,351 thousand and is valid for the duration of the contract.
- g) In connection with the conclusion by Comarch S.A.S., a subsidiary of Comarch S.A., a contract with one of the clients for the implementation and license of Comarch Loyalty Management, as well as for data centre services, Support & Maintenance, a suretyship for liabilities of Comarch S.A.S. resulting from this project was granted by Comarch S.A. The suretyship was granted up to the value of the contracts signed by Comarch S.A.S., i.e. EUR 2,807 thousand and is valid until the end of the project.
- h) Due to the conclusion by Comarch AG Branch in Belgium, a contract with one of the clients for data centre services, a suretyship for the obligations of Comarch AG resulting from this project was granted by Comarch S.A. The suretyship was granted up to the value of the contract signed by Comarch AG, i.e. PLN 236,000. EUR and is valid until the end of the project.
- i) In connection with the conclusion by Comarch UK, a subsidiary of Comarch S.A., a contract with the client for the purchase of software licenses as well as maintenance and support services, a suretyship for the obligations of Comarch UK resulting from this project was granted by Comarch S.A. The suretyship was granted up to the amount of GBP 11,244 thousand and is valid for twelve years from the end of the contract.
- j) Due to the conclusion by Comarch Healthcare S.A., a subsidiary of Comarch S.A., contracts for servicing fuel cards, suretyships for the operator of fuel cards for the liabilities of Comarch Healthcare S.A. resulting from the above agreements were granted by Comarch S.A. The suretyship was renewed; therefore, it is valid until 31st of May, 2026 and was granted up to the amount of PLN 100 thousand.
- k) In connection with the conclusion by Comarch S.A.S., a subsidiary of Comarch S.A. an agreement with one of the clients for the implementation of Comarch ECM, as well as the provision of maintenance and system management (SaaS) services, a suretyship for the obligations of Comarch S.A.S. resulting from this project was granted by Comarch S.A. The suretyship was granted up to the amount of EUR 838 thousand and is valid until the end of the project.
- l) In connection with the conclusion by CA Consulting S.A., a subsidiary of Comarch S.A., a contract for servicing fuel cards, a suretyship for the operator of fuel cards for the obligations of CA Consulting S.A. resulting from the above agreement was granted by Comarch S.A. The suretyship was renewed, and therefore it is valid until 31st of May, 2026 and was granted up to the amount of PLN 50 thousand.
- m) Due to the conclusion by Comarch AG Branch in Belgium, a framework agreement with one of the clients, a suretyship for liabilities of Comarch AG was granted by Comarch S.A. The suretyship was granted up to the value of the contract, i.e. EUR 3,241 thousand and is valid until the end of the project.
- n) Due to the conclusion by Comarch Middle East FZ-LLC, a subsidiary of Comarch S.A., the contract with one of the clients for the implementation of the Comarch Customer Engagement Platform, a suretyship ("Parent Guarantee") for the obligations of Comarch Middle East FZ-LLC resulting from this project was granted by Comarch S.A. The contract was signed for a period of 5 years. The suretyship is valid until Comarch Middle East FZ-LLC fulfils all obligations under the contract and was granted up to the maximum liability under the contract, i.e. USD 10,000 thousand.
- o) In connection with the conclusion by Bonus Development sp. z o.o. SK-A, a subsidiary of Comarch S.A., an investment loan agreement with Bank Pekao S.A., on the basis of which the bank granted Bonus Development sp. z o.o. SK-A financing in EUR in the amount of PLN 38,800 thousand (which as at the date of signing the loan agreement was the equivalent of EUR 9,262 thousand) and in connection with the

conclusion of the agreement for treasury transactions related to securing the exchange rate risk and the interest rate of the above-mentioned loan, Comarch S.A. granted suretyships for the liabilities of Bonus Development sp. z o.o. SK-A resulting from the above agreements. The suretyships are valid until all liabilities under the loan agreement are repaid, the final repayment date is 28th of June, 2030.

- p) In connection with the conclusion by Comarch Polska S.A., a subsidiary of Comarch S.A., a contract for servicing fuel cards, a suretyship for the operator of fuel cards for liabilities of Comarch Polska S.A. resulting from the above agreement was granted by Comarch S.A. The suretyship was renewed; therefore, it is valid until 14th of September, 2026 and was granted up to the amount of PLN 10 thousand.
- q) Due to the conclusion by Comarch AB, a subsidiary of Comarch S.A., a contract with one of the clients for the implementation of the Loyalty Management Solutions system and its maintenance, a suretyship was granted for Comarch AB. The suretyship is valid for the duration of the contract and was granted up to the amount of SEK 39,747 thousand.
- r) In connection with the conclusion by Comarch AB, a subsidiary of Comarch S.A., a contract with one of the clients for the implementation and maintenance of Master Services Agreement services, a suretyship was granted for Comarch AB. The suretyship is valid for the duration of the contract and was granted for the amount of PLN 3,827 thousand.
- s) In connection with the conclusion by Comarch UK, a subsidiary of Comarch S.A., a contract with one of the clients for the implementation and maintenance of Comarch Loyalty Management, Comarch Campaign Management, Comarch Social Mining and Comarch Smart Analytics services, a suretyship was granted to Comarch UK. The suretyship is valid for the duration of the contract and was granted up to the value of the project, i.e. GBP 3,318 thousand.
- t) Due to the conclusion by Comarch Healthcare S.A., a subsidiary of Comarch S.A., a contract for servicing payment cards with one of the clients, a suretyship was granted to Comarch Healthcare S.A. The suretyship is valid for the duration of the contract and has been granted up to the amount of PLN 450 thousand.
- u) In connection with the conclusion by Comarch UK, a subsidiary of Comarch S.A., a contract for servicing payment cards with one of the clients, a suretyship was granted to Comarch UK. The guarantee is valid for the duration of the contract and has been granted up to the amount of PLN 330 thousand.
- v) Due to the conclusion by Comarch Software und Beratung AG, a subsidiary of Comarch S.A., a contract with one of the clients for the implementation and maintenance of Telco BSS and Telco OSS services, a surety was granted to Comarch Software und Beratung AG. The surety is valid for the duration of the contract and was granted up to the contract value, i.e. EUR 11,524 thousand.
- w) In connection with the conclusion by Comarch S.A.S., a subsidiary of Comarch S.A., a contract with one of the clients for the implementation of Comarch Retail, Comarch Mobile Sale and Comarch POS services, a suretyship for liabilities of Comarch S.A.S. was granted by Comarch S.A. The surety is valid for the duration of the agreement and was granted up to the amount of EUR 1,444 thousand.
- x) Due to the conclusion by Comarch Colombia S.A.S., a subsidiary of Comarch S.A., an agreement with one of the clients for the implementation of Comarch Loyalty Management services, a suretyship for the obligations of Comarch Colombia S.A.S. was granted by Comarch S.A. The suretyship is valid for the duration of the contract and was granted up to the amount of USD 10,710 thousand.
- y) In connection with the conclusion by Comarch Luxembourg S.a.R.L., a subsidiary of Comarch S.A., contracts with one of the clients for the implementation, servicing and delivery of the necessary licenses for the implementation of the Billing System project, a suretyship for the obligations of Comarch Luxembourg S.a.R.L. was granted by Comarch S.A. The suretyship is valid for the duration of the contract and was granted up to the amount of EUR 7,240 thousand.

- z) In connection with the conclusion by Comarch Polska SA, a subsidiary of Comarch S.A., a contract for the purchase of IT equipment for the purpose of performing a contract with one of the clients, a suretyship for liabilities of Comarch Polska SA was granted by Comarch S.A. The suretyship is valid for the duration of the contract and was granted up to the amount of PLN 3,660 thousand.
- aa) Due to the conclusion by Comarch AG, a subsidiary of Comarch S.A., a contract with one of the clients for the implementation, servicing and delivery of the necessary licenses for the implementation of the e-invoicing service, a suretyship for liabilities of Comarch AG was granted by Comarch S.A. The suretyship is valid for the duration of the contract and was granted up to the amount of EUR 2,095 thousand.
- bb) Due to the conclusion by Comarch UK Ltd, a subsidiary of Comarch SA, a contract with one of the clients for the implementation, servicing and delivery of the necessary licenses for the Comarch NRM services, a suretyship for the obligations of Comarch UK Ltd was granted by Comarch S.A. The suretyship is valid for the duration of the contract and was granted up to the amount of GBP 9,966 thousand.
- cc) Due to the conclusion by Comarch Yuhan Hoesa, a subsidiary of Comarch SA, a contract with one of the clients for the implementation, servicing and delivery of the necessary licenses for the NW Next Generation services, a suretyship for the obligations of Comarch Yuhan Hoesa was granted by Comarch S.A. The suretyship is valid for the duration of the contract and was granted up to the amount of EUR 18,467 thousand.
- dd) Due to the conclusion by Comarch S.A.S., a subsidiary of Comarch SA, a contract with one of the clients for the implementation, servicing and delivery of the necessary licenses for ERP, POS and MoS services, a suretyship for liabilities of Comarch S.A.S. was granted by Comarch S.A. The suretyship is valid for the duration of the contract and was granted up to the amount of EUR 1,254 thousand.
- ee) Due to the conclusion by COMARCH Middle East FZ-LLC, a subsidiary of Comarch SA, a contract with one of the clients for the implementation, servicing and delivery of the necessary CLM licenses, Comarch SA granted a suretyship for the obligations of the subsidiary COMARCH Middle East FZ-LLC resulting from this contract. The suretyship is valid for the duration of the contract, and its value amounts to USD 3,155 thousand.
- ff) Due to the conclusion by Comarch AG, a subsidiary of Comarch SA, a contract with one of the clients for the implementation and provision of e-invoicing services, Comarch SA granted a suretyship for the obligations of the subsidiary Comarch AG resulting from this contract. The suretyship is valid for the duration of the contract, and its value amounts to EUR 784 thousand.
- gg) In connection with the conclusion by Comarch Japan KK, a subsidiary of Comarch SA, an agreement for the lease of office space, Comarch SA granted a suretyship for the obligations of the subsidiary Comarch Japan KK resulting from this agreement. The suretyship is valid for the duration of the contract, and its value amounts to JPY 9,934 thousand.
- hh) Due to the conclusion by Comarch S.A.S., a subsidiary of Comarch S.A., a contract with one of the clients for the delivery of the BSSv7 platform, a suretyship for the obligations of a subsidiary Comarch S.A.S. resulting from this contract was granted by Comarch S.A. The suretyship is valid for the duration of the contract, and its value amounts to EUR 11,175 thousand.
- ii) Due to the conclusion by Comarch Swiss AG, a subsidiary of Comarch SA, an agreement with one of the clients for the implementation of the Convergent Billing service with a license, Comarch SA granted a suretyship for the obligations of the subsidiary Comarch Swiss AG resulting from this agreement. The suretyship is valid for the duration of the contract, and its value amounts to CHF 12,144 thousand.
- jj) Due to the conclusion by Comarch UK Ltd, a subsidiary of Comarch SA, a contract with one of the clients for the implementation of the NRM & SI service along with a license, Comarch SA granted a suretyship for the obligations of a subsidiary Comarch UK Ltd resulting from this contract. The suretyship is valid for the duration of the contract, and its value amounts to GBP 10,659 thousand.

- kk) Due to the conclusion by Comarch Technologies OY, a subsidiary of Comarch S.A., a contract with one of the clients for the implementation of the CLM system, a suretyship for the obligations of a subsidiary Comarch Technologies OY resulting from this agreement was granted by Comarch S.A. The suretyship is valid for the duration of the contract and its value amounts to EUR 672,500.
- ll) In connection with the conclusion by Comarch Technologies OY, a subsidiary of Comarch S.A. an agreement with one of the clients for granting a license, providing support services for CLM and providing hosting services, a suretyship for the obligations of a subsidiary Comarch Technologies OY resulting from this agreement was granted by Comarch S.A. The suretyship is valid for the duration of the contract and its value amounts to EUR 4,325,420.
- mm) Due to the conclusion by Comarch UK, a subsidiary of Comarch S.A., a contract with one of the clients for inventory management, a suretyship for the obligations of a subsidiary Comarch UK resulting from this agreement was granted by Comarch S.A. The suretyship is valid for the duration of the contract and its value is GBP 7,543,882.

9.5. Bank Guarantees and Significant Off-balance Sheet Positions

On the 30th of June, 2021, the value of bank guarantees and letters of credit issued by banks on order from Comarch S.A. in reference to executed agreements and participation in tender proceedings was PLN 89,560 thousand, whereas it was PLN 91,066 thousand on the 31st of December, 2020.

On the 30th of June, 2021, the value of bank guarantees issued by banks on order from Comarch Software und Beratung was EUR 422 thousand (i.e. PLN 1,910 thousand), whereas it was EUR 422 thousand (i.e. PLN 1,949 thousand) on the 31st of December, 2020.

On the 30th of June, 2021, the value of bank guarantees issued by banks on order from Comarch AG was EUR 16 thousand (i.e. PLN 73 thousand), whereas it was EUR 16 thousand (i.e. PLN 74 thousand) on the 31st of December, 2020

Comarch S.A. declared a possibility to grant a financial support ("letters of comfort") for its subsidiaries: Comarch R&D S.à r.l. (valid for an indefinite period), Comarch Argentina S.A. (valid for an indefinite period), Comarch Malaysia SDN. BHD. (valid for an indefinite period), Comarch Healthcare S.A. (valid for an indefinite period), Comarch Middle East FZ-LLC (valid for an indefinite period), Comarch Japan KK (valid for an indefinite period) and Comarch SAS (valid for an indefinite period).

10. The Most Important Events in H1 2021 and after the Balance-Sheet Date

10.1. Contracts Significant for Issuers' Activities

10.1.1. Selection of the Most Advantageous Offer in the Public Procurement for Providing the Support, Operation and Maintenance of the KSI ZUS

Comarch S.A.'s Management Board informed in a current report no. [RB-2-2021](#) (ENG: [RB-2-2021](#)) dated the 5th of February, 2021 about the receipt of the notification of February 4, 2021 regarding the selection of the most advantageous offer in the public procurement for providing the support, operation and maintenance of the Comprehensive IT System for the Social Insurance Institution (KSI ZUS), tender procedure no. TZ/271/65/19, organized by the Social Insurance Institution in Warsaw (hereinafter referred to as the "ZUS"), which indicate that the offer submitted by the Consortium of Comarch Polska S.A. and Comarch S.A. (hereinafter referred to as the "Consortium") was selected. The total value of the offer submitted by the Consortium under this tender

is PLN 203,886,156.11 gross. The term of the contract is a maximum of 77 months from the date of the contract conclusion. The Management Board of Comarch S.A. will inform about the contract conclusion with the separate current report. Comarch S.A.'s Management Board recognized this information as an inside information due to its potential influence for the financial and economic situation of the Company.

10.1.2. Statement from ZUS on Partial Withdrawal from the Agreement (KSI ZUS)

On the 20th of February, 2021 the Management Board of Comarch S.A. informed about the receipt on the 19th of February, 2021 of a statement from ZUS on partial withdrawal from the Agreement, submitted on the basis of the right under the Agreement, in terms of part of the supplementary order referred to in § 2 sec. 1 point 1 of the Annex of the 23rd of December, 2020, pursuant to which the Consortium was entrusted with the provision of services supporting the operation and maintenance of KSI ZUS currently covered by the Agreement with Asseco Poland S.A. According to the statement of ZUS, the decision to exercise the right of partial withdrawal from the Agreement was influenced by the judgment of the National Appeals Chamber of the 19th of February, 2021 (ref. KIO 18/21). Maximum value of services covered by part of the supplementary order to the extent indicated in § 2 section 1 point 1 of the Annex of the 23rd of December 2020, to which the ZUS declaration relates, amounts to PLN 37,550,399.67 net (PLN 46,186,991.59 gross). The remaining scope of services covered by the Agreement remains unchanged.

Company informed about the details in current report no. [RB-3-2021](#) (ENG: [RB-3-2021](#)) dated the 20th of February, 2021.

10.1.3. Signing a Contract for the Construction of Comarch Data Center

On 10th of June, 2021, the Management Board of Comarch S.A. announced the signing on 9th of June, 2021 of an agreement between Comarch Inc. with its office in the United States of America, a subsidiary of Comarch S.A., and The Weitz Company LLC, for the construction of Comarch Data Centre with infrastructure in Mesa, Arizona. The value of the Agreement is USD 19,746,980.85 net, i.e. PLN 72,165,341.52. The deadline for the performance of the subject of the Agreement is 330 days from signing the Agreement.

The Company announced details in the current report no. [RB-6-2021](#) (ENG: [RB-6-2021](#)) of 10th of June, 2021.

AFTER THE BALANCE SHEET DATE

10.1.4. Signing the Agreement on Delivery and Maintenance of IT Systems for 450connect

On the 19th of July, 2021 the Management Board of Comarch S.A. informed about signing by Comarch AG, a wholly owned subsidiary of Comarch S.A., a framework agreement with 450connect GmbH. The subject matter of this framework agreement is delivery and maintenance of software, on the terms specified in the agreement. Presupposing, that the contract runs for the entire term of 20 years without being terminated by either party, Comarch AG will receive a remuneration of approximately EUR 42,300,000.00 i.e. PLN 194,059,710.00 over the term. Commercial conditions of the agreement and Comarch AG liability for the compensation of damages are in line with market standards used in similar agreements.

Company informed about the details in current report no. [RB-11-2021](#) (ENG: [RB-11-2021](#)) dated the 19th of July, 2021.

10.1.5. Non-Renewable Credit Agreement with CaixaBank, S.A. Oddział w Polsce (Branch in Poland)

The Management Board of Comarch S.A. informed about signing non-renewable credit agreement on the 5th of August, 2021 with CaixaBank, S.A. Branch in Poland with its office in Warsaw (hereinafter referred to as the "Bank") for general corporate purposes. The credit amount is EUR 14,500,000.00, i.e. PLN 66,054,750 at the EUR exchange rate on the date of the contract signing. The credit period lasts until the 5th of August, 2026, and the interest rate is based on a variable rate. The credit should be used by the 5th of August, 2022. The credit is secured with:

- a) power of attorney granted to the Bank by Comarch S.A. to administer funds on settlement accounts maintained by the Bank;
- b) Comarch S.A. statement on submission to enforcement up to 150% of the credit amount.

Company informed about the details in current report no. [RB-12-2021](#) (ENG: [RB-12-2021](#)) dated the 5th of August, 2021.

10.2. Others

10.2.1. Dismissal of a Member of the Supervisory Board of Comarch S.A.

The Management Board of Comarch S.A. informed in the current report No. [RB-9-2021](#) (ENG: [RB-9-2021](#)) of 24th of June, 2021 that on 24th of June, 2021 the Ordinary General Meeting of the Company adopted Resolution No. 24 on dismissal of the supervisory person. Mr. Tadeusz Włudyka, was dismissed from the function of a Member of the Supervisory Board of Comarch S.A. as of 24th of June, 2021 at his request.

10.2.2. Impact of SARS-CoV-2 Coronavirus and COVID-19 Incidents on the Company's Operations and Financial Results

In reference to the recommendations of the European Securities and Markets Authority and the Polish Financial Supervision Authority of the 12th of March, 2020, the Management Board of Comarch S.A. in the current report no. [RB-5-2020](#) (ENG: [RB-5-2020](#)) dated on the 19th of March, 2020, provided information on the possible impact of the SARS-CoV-2 coronavirus spread and COVID-19 incidence on the Company's operations and financial results.

The Management Board of Comarch S.A. monitors on an ongoing basis the development of the situation related to the continuing effects of the spread of SARS-CoV-2 coronavirus and COVID-19 incidence and their impact on the Company's operations. The Management Board of the Company hereby informs that as at the date of publication of this report the Company's operations were conducted without any interruptions. The Comarch S.A. implemented all guidelines recommended by the Chief Sanitary Inspectorate and other state institutions in the countries of the Company's operational activity, with particular regard to employee's safety, health and hygiene recommendations. Business trips to countries identified by the Chief Sanitary Inspectorate as high-risk countries were suspended or limited, direct contacts of employees within the organization were limited, and the remote work mode of office workers was launched on a large scale, and all hygiene recommendations are applied in Comarch offices. Comarch S.A. carried out a vaccination campaign against COVID-19 for employees at the company's headquarters in Krakow and in larger branches in Poland.

Regardless of the current intensity of the epidemic, remote communication methods are commonly used in business contacts. The Management Board of the Company notes that the activities of the Comarch S.A. are

very well diversified in terms of industry, products and geography, and the effects of the pandemic did not pose a threat to the financial stability of the company or introduced significant disruptions in the implementation of

During the epidemic period, there was no decrease in revenue from sales of services and products offered by the Company. The Comarch Group's operational activity and the financial results achieved in subsequent periods will be influenced by factors such as the duration and scope of the epidemic, the number of people falling ill with COVID-19, further administrative restrictions on the functioning of states and businesses, restrictions on the movement of employees, the possibility of taking advantage of aid packages launched by individual countries, as well as the pace of implementation of the immunization programme.

10.2.3. Opinion of the Supervisory Board regarding the Distribution of Net Profit for 2020

Comarch S.A.'s Management Board informed in a current report no. [RB-4-2021](#) (ENG: [RB-4-2021](#)) dated the 18th of May, 2021 that the Supervisory Board of Comarch SA, by virtue of Resolution No. 09/05/2021 of 18th of May, 2021, positively expressed the opinion of the Management Board of Comarch S.A. dated the 17th of May, 2021, so that the Company's net profit in the financial year from 1st of January 1, 2020 to 31st of December, 2020 in the amount of PLN 80,008,432.99 was divided in such a way that:

1. part of the net profit of PLN 24,400,047 will be used to pay dividend in the amount of PLN 3.00 per share;
2. the remaining part of the net profit in the amount of PLN 55,608,385.99 will be transferred to supplementary capital.

AFTER THE BALANCE SHEET DATE

10.2.4. Forward Contracts Concluded after the Balance Sheet Date

Between the 1st of July, 2021, and the 31st of August, 2021, the Comarch Group has concluded new forward contracts for the sales of currency in the amount of EUR 1,000 thousand and USD 1,000 thousand. The total net value of open forward contracts as of the 31st of August, 2021, amounted to EUR 62,400 thousand, USD 16,100 thousand, JPY 80,000 thousand, GBP 1,200 thousand and NZD 2,300 thousand. The contracts will be settled within 38 months from the balance sheet date. All forward contracts have been concluded in order to limit the influence of currency exchange rates on the financial results related to the contracts carried out by companies in Comarch Group, in which the remuneration or cost is set in a foreign currency.

11. Major Domestic and Foreign Investment (Securities, Financial Instruments, Intangible Assets and Real Estate), including Capital Investment Made outside the Group of Related Parties, as well as a Description of their Financing, as well as an Appraisal of Ability for Executing Investment Plans, Including Capital Investment Compared to the Amount of Resources Owned

The Group does not restrict its interest to the territory of Poland alone. With products featuring international competitive edge, Comarch will consistently aim at increase in international sales, especially in Western Europe. The sales will be executed directly to the final client (through Comarch S.A. or another Company from the Comarch Group) or through partner companies.

Within the following years, the Comarch Group will continue investment projects which will enable further expansion of the Company to new commercial areas and new markets. They will be financed with the means accorded by the companies at the Comarch Group, but also with bank credits.

11.1. Capital Investments

On the 21st of January, 2021, the Management Board of Geopolis Sp. z o.o. filed an application to the District Court for Toruń, The Fifth Economic Division, for bankruptcy including liquidation of the debtor's assets, i.e. the company. On the 16th of March, 2021, the District Court for Toruń, The Fifth Economic Division, after considering the case at the request of Geopolis sp. z o.o. in Toruń for bankruptcy, decided to secure the debtor's assets by appointing a temporary court supervisor.

On the 22nd of March, 2021, a subsidiary company LLC „Comarch Software” was registered in Lviv. The share capital of the company amounts to PLN 14,000. Comarch S.A. owns 100% in share capital and votes of LLC „Comarch Software”.

On the 29th of March, 2021, a resolution was adopted to increase the share capital in Comarch S.R.L. by the amount of EUR 1,000,000 (i.e. PLN 4,656,000) intended to cover a loss in the amount of EUR 100,000 and an increase in the share capital of EUR 900,000, after its reduction in order to cover the loss. On the 6th of May, 2021, Comarch S.A. made the transfer of funds. The share capital of Comarch S.R.L. as a result of these operations it has not changed and amounts to EUR 900,000.

On the 8th of April, 2021, an increase in the share capital of Comarch (Thailand) Co., Ltd. was registered. The share capital was increased from THB 18,500,000 (that is PLN 2,257,000) by THB 32,000,000 (that is PLN 3,904,000) and currently amounts to THB 50,500,000 (that is PLN 6,161,000).

On the 7th of May, 2021, the formal liquidation process of Comarch Software Spain S.L.U. begun and currently the company operates as Comarch Software Spain S.L.U. en liquidación.

AFTER THE BALANCE SHEET DATE

None present.

11.2. Real Estates and Other Material Investment

Property, plant and equipment comprise mostly real estates and machinery owned by Comarch Group. As at the 30th of June, 2021, the Comarch Group's property are six office buildings in the Special Economic Zone in Krakow ("SEZ") at 74,144 square metres of the total space, two office buildings in Warsaw at 2,542 square metres of the total space and office buildings in Łódź at 12,572 square metres of the total space, one office building and data centre in Lille at 2,526 square metres of the total space, and an office building and data centre in Dresden at 2,144 square metres of the total space. The Comarch Group owns also lands in the Special Economic Zone in Krakow at approx. 2.01 ha of the total area and 1.21 ha in Mesa, Arizona, USA. Property, plant and equipment also include the MKS Cracovia SSA Training and Research Centre commissioned for use in the fourth quarter of 2020 with a total investment of PLN 42,586 thousand. The centre consists of 6 pitches, including 3 full-size ones, a sports hall with a football field, a building that serves as a hotel for players and 2 other buildings. As at the 30th of June, 2021, property, plant and equipment under construction comprise mostly expenditures related to modernization works of buildings incurred by Bonus Management sp. z o.o. SKA and Bonus Management sp. z o.o. II Activia SKA (an amount of PLN 6,167 thousand) and expenditures related to construction of Data Centre Comarch Inc. in the USA in the amount of PLN 3,370 thousand.

In the second quarter of 2021, there were no purchases of land properties.

AFTER THE BALANCE SHEET DATE

None present.

12. Activities in Special Economic Zone

On the 22nd of March, 1999, Comarch S.A. obtained a permit for conducting activity in the Special Economic Zone in Krakow ("SEZ"). According to the regulation of the Council of Ministers of the 14th of October, 1997 on establishment of a Special Economic Zone in Krakow (Journal of Laws No. 135, item 912 and changes to this act), the entities, which invested in the Krakow special economic zone at least EUR 2 million, were granted the tax allowances applicable for the income tax from legal entities from the income obtained from the activity specified in the permit. As a result of Poland joining the European Union, an Act was passed on the 2nd of October, 2003, that changed the act on special economic zones and certain other acts (Journal of Laws No. 188 Item 1840) that changed the conditions for tax exemptions for entities operating in special economic zones. This means a change in the current method of granting tax relief (public aid) from unlimited relief to relief that is limited in value and depends on the value of investments made. In the case of Comarch S.A., the maximum value of public aid cannot exceed 75% of the value of investment expenditures, which the company has incurred since obtaining the permit, i.e. from the 22nd of March, 1999, to the 31st of December, 2006. Comarch S.A. approached the Minister of the Economy in order to change the terms and conditions of its permit. On the 1st of July, 2004, it received a decision from the Minister of the Economy dated the 24th of June, 2004, on the topic of changes to the terms and conditions of the permit (those mentioned above and those compliant with the act). At the same time, the period of time for which the permit for Comarch S.A. was issued was extended to the 31st of December, 2017, in the changed permit.

Comarch S.A. has three unused permits to operate in the Special Economic Zone in Krakow:

- obtained in 2013, its validity term has not been specified;
- obtained in February 2016, its validity term has not been specified;
- obtained in March 2016, its validity term has not been specified.

The Company also notes that on the 23rd of July, 2013, The Council of Ministers adopted a regulation extending the term of functioning of special economic zones in Poland to 2026.

Pursuant to IAS 12, unused tax relief as at the 30th of June, 2021, constitutes a deferred income tax asset. The company, while operating in the SEZ, originally had five permits. An investment relief due to the permit obtained in 1999 was fully utilized (its period of validity was the 31st of December, 2017). The investment tax relief under the permit obtained in 2007 was fully utilized, its value as at the 30th of June, 2021, is zero. Limit of the unused investment tax relief under the permit obtained in 2013, regarding investment in the office building SSE6, amounted to approx. PLN 26,418 thousand as at the 30th of June, 2021 (after discounting at the permit date). Limit of the unused investment tax relief under the permit obtained in March 2016, regarding investment in the office building SSE7 in Cracow, amounted to approx. PLN 22,809 thousand as at the 30th of June, 2021 (after discounting at the permit date). The company has no intention to use the permit obtained in February 2016 due to the fact of receiving (after obtaining it), co-financing of investment outlays to be incurred in this permit - to eliminate the risk of using two forms of public aid related to one investment.

Deferred income tax assets are determined in the amount anticipated to be deducted from income tax in the future, due to negative temporary differences and income tax relief in connection with conducting business activity in SEZ, which will cause in the future a reduction in the basis for calculating income tax and a tax loss deductible, determined taking into account the precautionary principle. Due to the above principle, assets from operations in SEZ are set only in the annual time horizon, taking as base to determine the average income from

zonal activity from the period of 3 years, selected from the five-year period (including the year for which the report is drawn up), after rejecting two extreme values.

During the first half of 2021, the Comarch Group settled an asset created for the zone operations in the amount of PLN 1,149 thousand which were created as at the 31st of December, 2020. At the same time, in accordance with IAS 12, the Company, in the next year, will regularly verify the valuation of the Asset recognized for its feasibility. We would like to point out that the recognition of Assets does not affect cash flows in the parent company or in the Comarch Group (both the recognition of Assets, as well as its implementation). Therefore, this operation is purely accrual and results from the application by the Comarch Group of International Financial Reporting Standards for the preparation of the consolidated financial statements of the Comarch Group.

13. Resolutions of the AGM and the Board of Supervisors of the Parent Company

13.1. Corporate Governance Principles

According to the detailed rule no. II.Z.10. included in Part II of the Code of Best Practice for WSE Listed Companies 2016 "The Management Board of Comarch S.A. published in current report no. [EBI-1-2021](#) (ENG: [EBI-1-2021](#)) dated on the 11th of May 2021 a report on the activities of the Supervisory Board of Comarch S.A. for the period from the 1st of January, 2020 to the 31st of December, 2020, evaluation of the Company's situation including the internal control system, significant risk management system for the Company, compliance and internal audit function, assessment of compliance with information obligations regarding the application of corporate governance and assessment of the rationality conducted by a policy company in the area of sponsorship and charity.

According to the detailed rule No. II.Z.11. included in Part II of "the Code of Best Practice for WSE Listed Companies 2016" the Management Board of Comarch S.A. informed in the current report no. [EBI-2-2021](#) (ENG: [EBI-2-2021](#)) on the 18th of May, 2021 that by virtue of Resolution No. 10/05/2021 of the 18th of May, 2021, the Supervisory Board of Comarch S.A. gave positive opinion on the draft resolutions of the Ordinary General Meeting of Shareholders of the Company, which will be held on the 24th of June, 2021.

On the 29th of March, 2021, the Stock Exchange Supervisory Board, at the request of the Stock Exchange Management Board, adopted new corporate governance rules for companies listed on the WSE Main Market - "Best Practices of WSE Listed Companies 2021", which entered into force on the 1st of July, 2021. On the 30th of July, 2021, the Management Board of Comarch S.A. informed in the current report [EBI-3-2021](#) (ENG: [EBI-3-2021](#)) that the full text of the Statement on the Company's Compliance with the Corporate Governance Principles Contained in Best Practice for GPW Listed Companies 2021 is available on the Company's website (ENG: website).

13.2. Annual General Meeting – 24th of June 2021

13.2.1. Convention of the AGM, Agenda of the Meeting and Information on Participation in the Company's General Meeting

On the 18th of May, 2021, the Management Board of Comarch Spółka Akcyjna with its registered office in Krakow, Aleja Jana Pawła II 39A, registered in the National Court Register maintained by the District Court for Kraków - Śródmieście in Kraków, XI Commercial Division of the National Court Register under number KRS 0000057567 (hereinafter the "Company"), acting based on the provisions of art. 395, art. 399 § 1, art. 402 with index 1, art. 402 with index 2 of the Code of Commercial Companies and Partnerships (hereinafter referred to as the "CCC") and art. 14 of the Articles of Association of the Company, convenes an Ordinary General Meeting on the 24th of June, 2021, at 10.00, in Krakow, at 33 prof. Michał Życzkowski Street. On that day, the Management Board also presented the agenda and draft resolutions for this Ordinary General Meeting of Shareholders with the justifications. In accordance with Article 402 with index 2 of the CCC, the Management Board of the Company also provided information regarding participation in the Ordinary General Meeting, in particular:

- the right of a shareholder to request placing particular matters on the agenda of the General Meeting,
- the shareholder's right to submit draft resolutions,
- the manner of exercising the voting right by a proxy,

- the possibility and manner of participating in the General Meeting by means of electronic communication,
- the method of speaking during the General Meeting using electronic means of communication,
- the method of exercising the right to vote by correspondence or by means of electronic communication,
- shareholder's right to ask questions regarding issues on the agenda of the General Meeting,
- the day of registration of participation in the General Meeting is the 8th of June, 2021.,
- information on the right to participate in the General Meeting,
- list of shareholders,
- access to documentation,
- website addresses and e-mail address of the Company,
- other information,
- information clause regarding the processing of personal data in connection with the organization and participation in the General Meeting.

The Company announced details in the current report no. [RB-5-2021](#) (ENG: [RB-5-2021](#)) dated on the 18th of May, 2021.

13.2.2. Content of the Resolutions Passed at the AGM

The AGM passed the resolutions related to:

- election of Chairman of the General Meeting;
- removing from the agenda of the meeting the point regarding the election of the Returns Committee;
- passing the agenda of the meeting;
- approving the Company financial statement for the fiscal year 1.01.2020 - 31.12.2020;
- approving the report of the Management Board regarding the activities of the Company in 2020;
- approving the financial statement of the Capital Group for the fiscal year 1.01.2020 - 31.12.2020;
- approving the report of the Management Board of Comarch S.A. regarding the activities of the Capital Group in 2020;
- approving the reports of the Company's Board of Supervisors on the activities of the Board of Supervisors and the assessment of the Company's and Comarch Capital Group's situation, from the audit of the Comarch S.A.'s financial statement and report of Management Board regarding the activities of the Company in 2020 and from the audit of the consolidated financial statements and report of Management Board regarding the activities of capital group in 2020;
- distribution of the Company's net profit for the fiscal year 1.01.2020 - 31.12.2020;
- acknowledging the fulfilment of duties by the members of the Management Board and the Supervisory Board in the fiscal year 1.01.2020 - 31.12.2020;
- dismissal of Tadeusz Włudyka from the Supervisory Board of Comarch S.A.;
- opinion of the General Meeting on the Supervisory Board's report on the remuneration of members of the Management Board and Supervisory Board of Comarch S.A.

The full content of the resolutions were published on in the current report no. [RB-7-2021](#) (ENG: [RB-7-2021](#)) dated the 24th of June, 2021.

13.2.3. Resolution of the AGM Regarding Dividend for 2020

The General Shareholder's Meeting passed the resolution no. 9, related to distribution of the net profit earned in the fiscal year 1 January 2020 - 31 December 2020. The General Shareholder's Meeting decided that net profit in the amount of PLN 80,008,432.99 will be divided as follows:

1. PLN 24,400,047 will be paid as dividend. Persons who will be the company's shareholders at the 6th of July, 2021 (dividend day), will get the dividend in the amount of PLN 3.00 per one share. The dividend will be allocated to 8,133,349 shares.
2. The remaining part of the net profit in the amount of PLN 55,608,385.99 will be passed to supplementary capital.

Dividend was paid at the 16th of July, 2021.

The Company announced details in current report no. [RB-8-2021](#) (ENG: [RB-8-2021](#)) dated the 24th of June, 2021.

13.2.4. Dismissal of a Member of the Supervisory Board of Comarch S.A.

The Management Board of Comarch S.A. informed in the current report No. [RB-9-2021](#) (ENG: [RB-9-2021](#)) of the 24th of June, 2021 that on the 24th of June, 2021 the Ordinary General Meeting of the Company adopted Resolution No. 24 on dismissal of the supervisory person. Mr. Tadeusz Włudyka, was dismissed from the function of a Member of the Supervisory Board of Comarch S.A. as of the 24th of June, 2021 at his request.

13.2.5. The List of Shareholders Participating the Annual General Shareholders Meeting

Accordingly, to the list of shareholders participating the Annual General Meeting of Comarch S.A. on the 24th of June, 2021, Elżbieta Filipiak, Janusz Filipiak and Nationale-Nederlanden Otwarty Fundusz Emerytalny represented by Nationale-Nederlanden Powszechne Towarzystwo Emerytalne Spółka Akcyjna held at least 5% of the total number of votes represented at this Meeting:

- Janusz Filipiak – 846,000 shares, of which 4,230,000 votes were cast at the AGM and constituted 43.36% of votes at the AGM; share in the total number of votes of the Company: 27.96%;
- Elżbieta Filipiak – 789,600 shares, of which 3,948,000 votes were cast at the AGM and which constituted 40.47% of votes at the AGM; share in the total number of votes of the Company: 26.10%;
- Nationale-Nederlanden Otwarty Fundusz Emerytalny represented by Nationale-Nederlanden Powszechne Towarzystwo Emerytalne Spółka Akcyjna – 843,000 shares of Comarch SA, of which 843,000 were votes at the General Meeting of Shareholders of the Company and accounted for 8.64% of votes at the General Meeting of Shareholders; share in the total number of votes of the Company: 5.57%.

Total number of votes resulting from all issued shares of Comarch S.A. is 15,126,949 votes. At the AGM on the 24th of June, 2021, shareholders representing 9,755,526 votes participated, which is 64.49% of the total number of votes of the Company. The Company announced details in current report no. [RB-10-2021](#) (ENG: [RB-10-2021](#)) dated the 24th of June, 2021.

14. Operations on Comarch S.A. Shares

14.1. Purchase/Disposal Transactions on Comarch S.A. Shares

None present.

AFTER THE BALANCE SHEET DATE

None present.

14.2. Managerial Option Program for Members of the Management Board

None present.

15. Operations on Shares of Subsidiaries and Related Parties

None were present, except for the operations described in point 18.4 of the financial statement.

AFTER THE BALANCE SHEET DATE

None were present, except for the operations described in point 18.5 of the financial statement.

16. Other Events in H1 2021 and after the Balance Sheet Date

16.1. Dates of Periodical Financial Reports in 2021

Pursuant to § 80 sec. 1 of the Regulation issued by the Minister of Finance on the 29th of March, 2018, concerning current and periodical information pertaining to companies listed on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state, with current report no. RB-1-2021 (ENG: RB-1-2021) dated the 7th of January, 2021, Comarch S.A. Management Board presented terms of periodical financial reports in 2021.

16.2. The Management Board Statement regarding the Corporate Governance Principles

Pursuant to § 29, section 5 of the Rules of the Warsaw Stock Exchange, the Management Board of Comarch S.A. presented report regarding the corporate governance principles in the Company in 2020 as attachment to the annual statement published on 30th of April, 2021.

AFTER THE BALANCE SHEET DATE

None present.

17. Characteristic of Policy of the Development Direction in the Comarch Group

The strategic development directions in the Comarch Group are:

- development of international sales, especially focusing on mature markets in Western Europe (in particular in the DACH region), both Americas and Asia,
- constant development of its own technologically advanced products, high expenses for R&D,
- development of products and IT services for medicine,
- development of sales of IT products and services as cloud computing,

- diversification of an offer through sales of products and services to customers in many economic sectors,
- continuation of development works within IT solutions for e-Health sector which should become one of the main sources of customers for the Comarch Group in the future,
- continuation of development works related to the development of own hardware solutions and services based on them (Internet of Things),
- strict cooperation with global customers in international markets,
- constant investment in human resources,
- development of a modern production base in Poland and abroad.

18. Achievements within Research and Development

Globalisation of world economy, as well as liberalisation of trade, result in disappearance of barriers for companies and their products. The IT market becomes an open and global market where prices and quality of available products are continuously compared against each other. Along with increase in the presence of foreign capital in Poland, even IT companies conducting operations solely in the Polish market must offer competitive products from the point of view of the global market. Comarch, since the very beginning of its operations, has had reputation of a technological Company developing and successfully selling products competitive internationally. Therefore, the main strategic objectives of the Company are still development of new competitive products to enable further development of Comarch and, as a result, increasing its value. Maintaining dynamics of sales requires expenditures for development of products as well as their proper promotion and marketing. This applies to both modifications of already existing products and technologies as well as developing new products.

The present policy of Comarch assumes running research and development work related to implementation of new products and standardisation of products from the very beginning of their preparation for the client. Thus, even in cases when a product was developed for the needs of a particular client, a part or whole of software / code may be then used for preparation of a standard product. This results in higher profitability of particular contracts and expansion of the client base. Expenses for research and development works amounted to PLN 263,666 thousand, thus reached 17.2% of revenue in 2020. Comarch allocated their internal funds, as well as acquired actively European funds.

Comarch S.A.

In the first half of 2021, as part of Measure 1.1 of the **Intelligent Development Operational Program 2014-2020** co-financed by the European Regional Development Fund, a contract was continued for co-financing the project "Production of technology" IoT Mesh "and supporting tools".



Unia Europejska
Europejski Fundusz
Rozwoju Regionalnego



Under the **Horizon 2020** Program, a contract for financing the "LIVING INNOVATION - Implementing RRI through co-creation of smart futures with industry and citizens" - LIV.IN." project was implemented.



19. Capital Affiliations of the Issuer

19.1. Characteristics of Companies in the Comarch Group

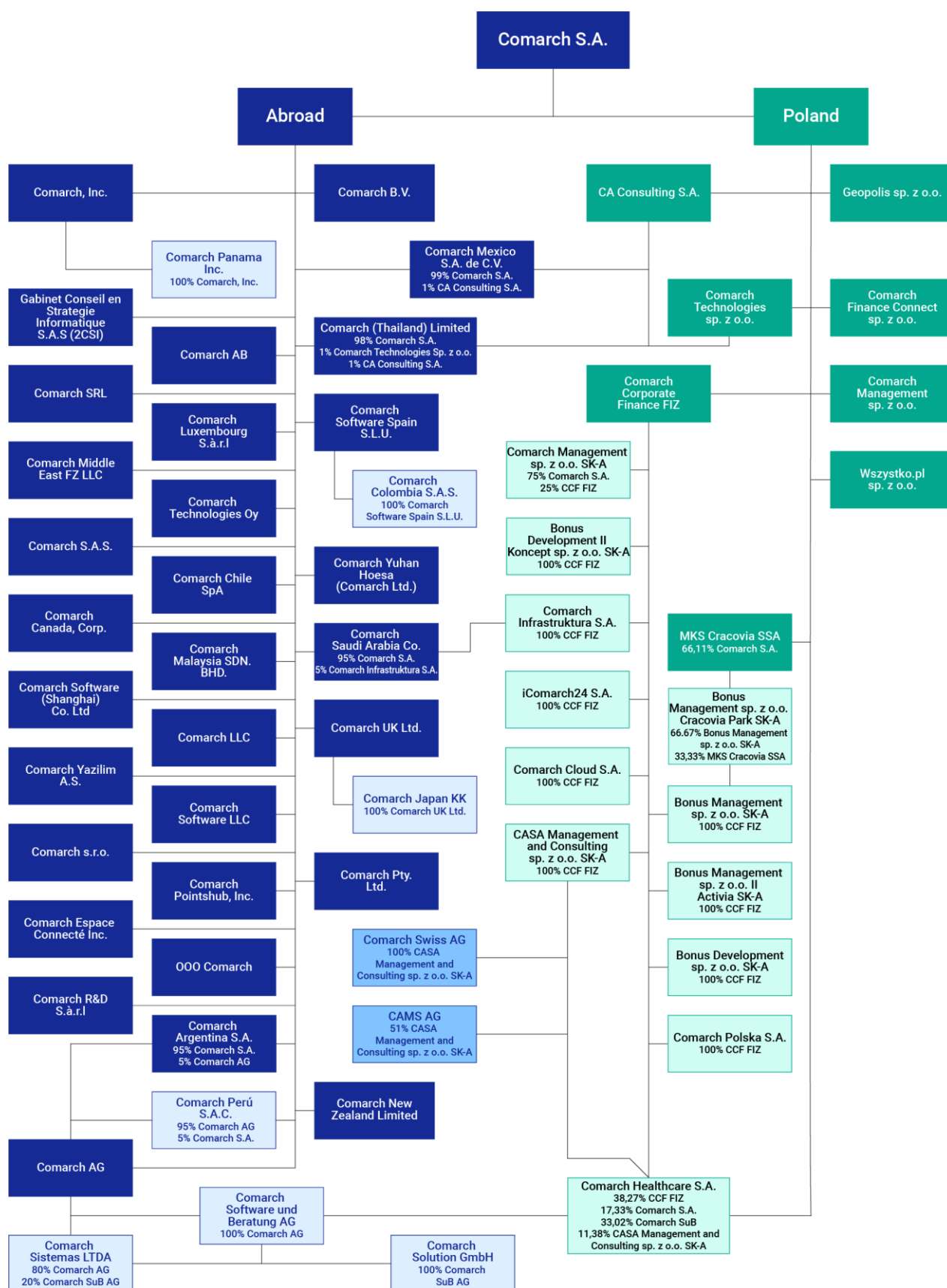
The basic activities of the Comarch Group (the "Group"), in which Comarch S.A. with its registered office in Krakow at Al. Jana Pawła II 39 A is the parent company, include activity related to software, PKD 62.01.Z. The registration court for Comarch S.A. is the District Court for Krakow Śródmieście in Krakow, The Eleventh Economic Division of the National Court Register. The company's KRS number is 0000057567. Comarch S.A. holds the dominant share in the Comarch Group regarding realised revenue, value of assets and number and volume of executed contracts. Comarch S.A. shares are admitted to public trading on the Warsaw Stock Exchange. The duration of the parent company is not limited.

The structure of activities of the Comarch Group is as follows:

- The parent company Comarch S.A. acquires the majority of contracts and in large part executes them,
- Comarch AG, Comarch S.A.S., Comarch R&D S.à r.l., Comarch Luxembourg S.à r.l., Comarch Inc., Comarch Panama Inc., Comarch Canada, Corp., Comarch Middle East FZ-LLC, Comarch LLC, OOO Comarch, Comarch Technologies Oy, Comarch UK Ltd., Comarch Chile SpA, Comarch Sistemas LTDA, Comarch Software Spain S.L.U., Comarch Yazilim A.S., Comarch SRL, Comarch Malaysia SDN. BHD., Comarch AB, Comarch Argentina S.A., Comarch Colombia S.A.S., Comarch Peru S.A.C., Comarch Japan KK, Comarch Saudi Arabia Co., Comarch Mexico S.A. de C.V., Comarch Yuhan Hoesa (Comarch Ltd.), Comarch (Thailand) Limited, Comarch BV, Comarch Pty. LTD, Comarch Software (Shanghai) Co. Ltd, Comarch New Zealand LTD and LLC „Comarch Software” acquire IT contracts in foreign markets and execute them in their entirety or in part,
- Comarch Software und Beratung AG is an important provider of ERP and an integrator of IT solutions in Germany. Activities of Comarch Solutions GmbH are identical as activities of Comarch Software und Beratung AG,
- Comarch Swiss AG sells and implements Comarch IT solutions, especially ERP and ECM on the Swiss market,
- Cabinet Conseil en Strategie Informatique S. A. S. provides IT solutions and services for medical entities on the French market,
- Comarch Polska S.A. acquires IT contracts in domestic markets and executes them in their entirety or in part,
- Comarch Technologies sp. z o.o. is responsible for the development of technologies related to the design and production of electronic devices and software,
- CA Consulting S.A. specialises in data communications relating to the provision of IT and consulting services for the own needs of the Comarch S.A. and for Comarch's contractor,
- Comarch Cloud S.A., acquire IT contracts in domestic markets and execute them in their entirety or in part,
- Purpose of the Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty is investment activity, through its subsidiaries, in the scope of new technologies and services, as well as investment activities on capital market,

- Comarch Management sp. z o.o., Comarch Management sp. z o.o. SK-A, CASA Management and Consulting sp. z o.o. SK-A, CAMS AG, Bonus Management sp. z o.o. SK-A and Bonus Management sp. z o.o. II Activia SK-A, Comarch Pointshub, Inc. conduct investment activities on capital market and activities related to IT,
- The subject matter of activities of Bonus Development sp. z o.o. SK-A and Bonus Development sp. z o.o. II Koncept SK-A are activities related to real estates,
- Comarch Healthcare S.A. produces and sells IT software related to medicine, medical devices, provides medical and diagnostic services, as well as produces and provides complex IT solutions for medicine sector,
- Comarch Infrastruktura S.A. offers services related to Data Centre and IT services outsourcing,
- iComarch24 S.A. conducts IT projects related to e-accounting and e-trading, as well as provides accounting services for domestic subsidiaries in the Comarch Group,
- MKS Cracovia SSA conducts sports activities and promotes physical education,
- „Bonus MANAGEMENT spółka z ograniczoną odpowiedzialnością” Cracovia Park SK-A conducts investment activities related to sport, wellness and recreation,
- Comarch Finance Connect sp. z o.o. it is not currently operating, conducts proceedings to obtain an entry in the register of payment service providers and electronic money publishers,
- Wszystko.pl sp. z o.o. it is not currently operating, it is preparing to launch an e-commerce portal under the name Wszystko.pl,
- Geopolis sp. z o.o. it is not currently operating, in January, 2021, a petition for bankruptcy has been filed,
- Companies Comarch s.r.o., Comarch Espace Connecté Inc. and CAMS AG are currently not operating.

19.2. Organizational Structure of Comarch Group



100% share in votes of Comarch S.A., unless otherwise indicated.

On the 30th of June, 2021, associate of the parent company was:

- SolInteractive S.A. with its registered office in Krakow in Poland (16.10% votes held by CCF FIZ, 11.27% held by Bonus Management sp. z o.o. Activia SK-A).

The associated company is not consolidated. Shares are valued with equity method.

19.3. Relationship

The consolidated financial statement of the Comarch Group for the 6 months ended the 30th of June, 2021, comprises the financial statements of the following companies:

Company name	Relationship	Consolidation method	% held by Comarch S.A. in a subsidiary's share capital
Comarch S.A.	Parent company	Full	
Comarch AG	Subsidiary	Full	100%
Comarch Sistemas LTDA	Subsidiary	Full	80% held by Comarch AG, 20% held by Comarch Software und Beratung AG
Comarch Peru S.A.C.	Subsidiary	Full	95% held by Comarch AG, 5% held by Comarch S.A.
Comarch Software und Beratung AG	Subsidiary	Full	100% held by Comarch AG
Comarch Solutions GmbH	Subsidiary	Full	100% held by Comarch Software und Beratung AG
Comarch S.A.S.	Subsidiary	Full	100%
Comarch R&D S.A.S	Subsidiary	Full	100%
Comarch Luxembourg S.à r.l.	Subsidiary	Full	100%
Comarch Inc.	Subsidiary	Full	100%
Comarch Panama Inc.	Subsidiary	Full	100% held by Comarch Inc.
Comarch Canada, Corp.	Subsidiary	Full	100%
Comarch Espace Connecté Inc.	Subsidiary	Full	100%
Comarch Middle East FZ-LLC	Subsidiary	Full	100%
Comarch LLC	Subsidiary	Full	100%
OOO Comarch	Subsidiary	Full	100%
Comarch Software (Shanghai) Co. Ltd.	Subsidiary	Full	100%
Comarch Technologies Oy	Subsidiary	Full	100%
Comarch UK Ltd.	Subsidiary	Full	100%
Comarch Japan KK	Subsidiary	Full	100% held by Comarch UK Ltd.
Comarch Chile SpA	Subsidiary	Full	100%
Comarch Software Spain S.L.U. en liquidación	Subsidiary	Full	100%
Comarch Colombia S.A.S.	Subsidiary	Full	100% held by Comarch Software Spain S.L.U.
Comarch Yazilim A.S.	Subsidiary	Full	100%
Comarch SRL	Subsidiary	Full	100%
Comarch Malaysia SDN. BHD.	Subsidiary	Full	100%
Comarch s.r.o.	Subsidiary	Full	100%
Comarch Pointshub, Inc.	Subsidiary	Full	100%
Comarch AB	Subsidiary	Full	100%
Comarch Argentina S.A.	Subsidiary	Full	95% held by Comarch S.A., 5% held by Comarch AG

Comarch Saudi Arabia Co.	Subsidiary	Full	95% held by Comarch S.A., 5% held by Comarch Infrastruktura S.A.
Comarch Mexico S.A. de C.V.	Subsidiary	Full	99% held by Comarch S.A., 1% held by CA Consulting S.A.
Comarch Yuhan Hoesa (Comarch Ltd.)	Subsidiary	Full	100%
Comarch (Thailand) Limited	Subsidiary	Full	98% held by Comarch S.A., 1% held by CA Consulting S.A., 1% held by Comarch Technologies sp. z o.o.
Comarch BV	Subsidiary	Full	100%
Comarch Pty. LTD	Subsidiary	Full	100%
Cabinet Conseil en Strategie Informatique S.A.S.	Subsidiary	Full	100%
Comarch New Zealand Limited	Subsidiary	Full	100%
LLC "Comarch Software"	Subsidiary	Full	100%
Comarch Technologies sp. z o.o.	Subsidiary	Full	100%
CA Consulting S.A.	Subsidiary	Full	100%
Geopolis sp. z o.o.	Subsidiary	Full	100%
Wszystko.pl sp. z o.o. (previously „Unitec” sp. z o.o.)	Subsidiary	Full	100%
Comarch Management sp. z o.o.	Subsidiary	Full	100%
Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty	Subsidiary	Full	100% of total number of investment certificates
Comarch Management sp. z o.o. SK-A	Subsidiary	Full	26.45% held by Comarch S.A., 8.82% held by CCF FIZ, 64.73% purchased by Comarch Management sp. z o.o. SK-A to be redeemed
Bonus Management sp. z o.o. SK-A	Subsidiary	Full	100% held by CCF FIZ
Bonus MANAGEMENT sp. z o.o. Cracovia Park SK-A	Subsidiary	Full	50% held by Bonus Management sp. z o.o. SK-A, 50% held by MKS Cracovia SSA
Bonus Development sp. z o.o. SK-A	Subsidiary	Full	100% held by CCF FIZ
Bonus Management sp. z o.o. II Activia SK-A	Subsidiary	Full	100% held by CCF FIZ
Bonus Development sp. z o.o. II Koncept SK-A	Subsidiary	Full	100% held by CCF FIZ
Comarch Healthcare S.A.	Subsidiary	Full	38.27% held by CCF FIZ, 17.33% held by Comarch S.A., 33.02% held by Comarch Software und Beratung AG, 11.38% held by CASA Management and Consulting sp. z o.o. SKA
Comarch Polska S.A.	Subsidiary	Full	100% held by CCF FIZ
Comarch Cloud S.A. (previously Comarch Pointshub S.A.)	Subsidiary	Full	100% held by CCF FIZ
Comarch Infrastruktura S.A.	Subsidiary	Full	100% held by CCF FIZ
iComarch24 S.A.	Subsidiary	Full	100% held by CCF FIZ
CASA Management and Consulting sp. z o.o. SK-A	Subsidiary	Full	100% held by CCF FIZ
Comarch Swiss AG	Subsidiary	Full	100% held by CASA Management and Consulting sp. z o.o. SK-A
CAMS AG	Subsidiary	Full	51% held by CASA Management and Consulting sp. z o.o. SK-A

Comarch Finance Connect sp. z o.o. (previously Opso sp. z o.o.)	Subsidiary	Full	100%
MKS Cracovia SSA	Subsidiary	Full	66.11%

19.4. Changes in Ownership, Capital and Organisational Structure in H1 2021

On the 21st of January, 2021, the Management Board of Geopolis Sp. z o.o. filed an application to the District Court for Toruń, The Fifth Economic Division, for bankruptcy including liquidation of the debtor's assets, i.e. the company. On the 16th of March, 2021, the District Court for Toruń, The Fifth Economic Division, after considering the case at the request of Geopolis sp. z o.o. in Toruń for bankruptcy, decided to secure the debtor's assets by appointing a temporary court supervisor.

On the 10th of March, 2021, the name of the company was changed from Unitec sp. z o.o. to Wszystko.pl sp. z o.o. and the change of the company's seat to Kraków.

On the 22nd of March, 2021, a subsidiary company LLC „Comarch Software” was registered in Lviv. The share capital of the company amounts to PLN 14,000. Comarch S.A. owns 100% in share capital and votes of LLC „Comarch Software”.

On the 29th of March, 2021, a resolution was adopted to increase the share capital in Comarch S.R.L. by the amount of EUR 1,000,000 (i.e. PLN 4,656,000) intended to cover a loss in the amount of EUR 100,000 and an increase in the share capital of EUR 900,000, after its reduction in order to cover the loss. On the 6th of May, 2021, Comarch S.A. made the transfer of funds. The share capital of Comarch S.R.L. as a result of these operations it has not changed and amounts to EUR 900,000.

On the 8th of April, 2021, an increase in the share capital of Comarch (Thailand) Co., Ltd. was registered. The share capital was increased from THB 18,500,000 (that is PLN 2,257,000) by THB 32,000,000 (that is PLN 3,904,000) and currently amounts to THB 50,500,000 (that is PLN 6,161,000).

On the 7th of May, 2021, the formal liquidation process of Comarch Software Spain S.L.U. begun.

19.5. Changes in Ownership, Capital and Organisational Structure after the Balance Sheet Date

On the 30th of July, 2021, Comarch R&D S.à r.l. was transformed into a joint stock company Comarch R&D S.A.S. The conversion was registered in the appropriate register.

20. Transactions Concluded by the Issuer or its Subsidiary with Related Parties on Terms Different from Market Conditions

None present.

21. Commentary on Differences between Financial Results Presented in Annual Report and Results Forecast for the Given Year Published Before

The Company has not published the results forecast for 2021.

22. Factors and Events of Unusual Nature that Affect the Issuer Activities and the Achieved Results, as well as Their Appraisal

22.1. Deferred Income Tax Assets and Provisions

During the first half of 2021, the Comarch Group settled in part a deferred tax asset related to temporary differences that was established on the 31st of December, 2020, and worth PLN 4,756 thousand, and created an asset due to temporary differences in the amount of PLN 3,032 thousand, as well as created an asset due to tax loss in the amount of PLN 588 thousand and released an asset of the same title in the amount of PLN 495 thousand. The total effect of the above-mentioned operations on the net result of the reporting period was minus PLN 1,631 thousand. During the first half of 2021, the Comarch Group settled an asset created for the zone operations in the amount of PLN 1,149 thousand which were created as at the 31st of December, 2020. The total impact of changes in the first half of 2021 results is minus PLN 2,780 thousand.

Due to valuation of net assets of CCF FIZ during the first half of 2021, a deferred tax provision was increased by PLN 1,539 thousand. At the same time, a deferred tax provision due to temporary differences was recognized in the amount of PLN 2,296 thousand and dissolved in the amount of PLN 1,618 thousand. The total effect of the above-mentioned operations on the net result of the first quarter of 2021 was minus PLN 2,217 thousand.

Total changes in the deferred income tax resulted in a decrease in result of PLN 4,997 thousand.

22.2. Valuation of Currency Exchange Rate Differences and Financial Instruments Based on Exchange Rates

Realized foreign exchange rate differences and balance sheet valuation of exchange rates on receivables and liabilities as at the 30th of June, 2021 decreased revenue and operating profit of Comarch Group in the first half of 2021 by PLN 4,252 thousand (while in the corresponding period of 2020 increased by PLN 11,343 thousand). Realized exchange rate differences and differences from the balance sheet valuation of trade liabilities in the first half of 2021 increased the operating result by PLN 2,979 thousand (while in the corresponding period of 2020 decreased by PLN 16,234 thousand). Exchange rate differences from other activities increased the result of Comarch Group by PLN 4,102 thousand (while in the corresponding period of 2020 decreased by PLN 1,986 thousand). The valuation of financial instruments and closed transactions (mostly forward contracts) and provision for deferred income tax in reference to the valuation of the financial instruments increased the result of Comarch Group by PLN 7,919 thousand (while in the corresponding period of 2020 decreased by PLN 6,954 thousand).

The total effect of exchange rate differences and valuation of derivative financial instruments on the net result of the Comarch Group in the half quarter of 2021 amounted to PLN 10,748 thousand (minus PLN 13,831 thousand in the first half of 2020).

22.3. Creation of Write-Offs for Bad Debts

During 6 months of 2021, the Comarch Group created impairment losses on trade receivables in the amount of PLN 10,872 thousand and dissolved previously created write-offs in the amount of PLN 8,446 thousand in connection with the payment of receivables. These operations were recognized in other operating costs and revenue in the profit and loss account, respectively.

23. Description of the Main Capital Deposits or the Main Capital Investments Made within the Comarch Group in the Given Year

None were present, except for the deposits and investments described in point 10.

24. Significant Legal, Arbitration or Administrative Proceedings related to Liabilities or Receivables of the Issuer or a Subsidiary, with the Subject of the Proceedings, the Value of the Subject of the Dispute, with the Subject of the Proceedings, the Value of the Subject of the Dispute, the Date of Initiation of the Proceedings, the Parties to the Proceedings and the Position of the Issuer

None were present, except for the ones described in point 3.20 of the consolidated financial statement for H1 2021.

Krakow, 31st of August, 2021

SIGNATURES OF THE MANAGEMENT BOARD

Name and Surname	Position	Signature
Janusz Filipiak	President of the Management Board	
Paweł Prokop	Vice-President of the Management Board	
Andrzej Przewięźlikowski	Vice-President of the Management Board	
Zbigniew Rymarczyk	Vice-President of the Management Board	
Konrad Tarański	Vice-President of the Management Board	
Marcin Warwas	Vice-President of the Management Board	

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The Management Board's statement regarding the reliability of the condensed financial statements

The Management Board of Comarch S.A. states that to the best of our knowledge, the condensed interim consolidated financial statement and the condensed interim financial statement for the six months ended the 30th of June, 2021, and comparable data are prepared compliant with binding accounting principles and present the true, fair and clear financial standing of the Capital Group and the Company, and the financial results. Furthermore, the report regarding the Capital Group's activities truly describes the development image and achievements as well as the Capital Group's situation including basic threats and risk.

Krakow, 31st of August, 2021

Janusz Filipiak

President of the
Management Board

Paweł Prokop

Vice-President of the
Management Board

Andrzej Przewięźlikowski

Vice-President of the
Management Board

Zbigniew Rymarczyk

Vice-President of the
Management Board

Konrad Tarański

Vice-President of the
Management Board

Marcin Warwas

Vice-President of the
Management Board